NMC, Inc. Employee Manual

CA

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ABOUT THIS HANDBOOK/DISCLAIMER

We prepared this manual to help employees find the answers to many questions that they may have regarding their employment with NMC, Inc.. Please take the necessary time to read it.

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

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

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

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

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

This manual supplements the NMC, Inc Manual here: https://newmexicoconsortium.org/wp-content/uploads/2026/03/EE-Manual-040226.pdf

State specific requirement may supercede the regulations in that Manual.

Table of Contents

Title Page **1**

About This Handbook/Disclaimer **2**

Section 1 - Governing Principles of Employment 6

Introduction 6

Reasonable Accommodations & Interactive Dialogue 6

California: Equal Employment Opportunity 7

California: Discrimination, Harassment, and Retaliation Prevention 8

Drug-Free and Alcohol-Free Workplace 10

Workplace Violence 11

Section 2 - Operational Policies 13

Employee Classifications 13

Your Employment Records 13

California: Working Hours and Schedule 13

Remote Work/Telecommuting 15

Artificial Intelligence 17

Timekeeping Procedures 17

California: Overtime 18

California: Safe Harbor Policy for Exempt Employees 18

Your Paycheck 19

Direct Deposit 19

Salary Advances 19

Performance Review 20

Record Retention 20

Job Postings 20

Open Door Policy 20

Section 3 - Benefits 22

Benefits Overview 22

Paid Holidays 22

California: Paid Time Off 23

California: Sick and Safe Time 23

California: Lactation Breaks 25
California: Workers' Compensation 26
Jury Duty 26
California: Private Employer Witness Leave 27
California: Voting Leave 27
Insurance Programs 27
California: Statutory Short-Term Disability Benefits 27
Long-Term Disability Benefits 28
Salary Continuation 28
Employee Assistance Program 28
Transportation Reimbursement Program 28
Retirement Plan 29
California: Paid Family Leave Benefits 29
Section 4 - Leaves of Absence 30
California: Personal Leave 30
Military Leave 30
California: Time off for Military Spouses 30
California: Bone Marrow Donation Leave 31
California: Organ Donation Leave 32
California: Family and Medical Leave 32
California: Leave for Qualifying Acts of Violence 38
California: Bereavement Leave 40
California: Reproductive Loss Leave 40
California: Time off for Crime Victims 41
California: Pregnancy Disability Leave 41
California: Time off for Volunteer Firefighters, Reserve Peace Officers, and Emergency Rescue Personnel 42
Section 5 - General Standards of Conduct 43
Workplace Conduct 43
Punctuality and Attendance 43
Use of Communications and Computer Systems 44
Use of Social Media 45
Personal and Company-Provided Portable Communication Devices 45
Inspections 46
Smoking 46
Personal Visits and Telephone Calls 47

Solicitation and Distribution 47
Bulletin Boards 47
Confidential Company Information 47
Conflict of Interest and Business Ethics 47
Use of Facilities, Equipment and Property, Including Intellectual Property 48
Health and Safety 48
Hiring Relatives/Employee Relationships 49
Employee Dress and Personal Appearance 49
Publicity/Statements to the Media 49
Operation of Vehicles 50
California: Business Expense Reimbursement 50
References 51
If You Must Leave Us 51
Exit Interviews 51
A Few Closing Words 51
Section 6 - Acknowledgments 52
General Handbook Acknowledgment 52
California: Acknowledgment and Receipt of Discrimination, Harassment, and Retaliation Prevention Policy 53

Section 1 - Governing Principles of Employment

Introduction

On behalf of NMC, Inc., let me extend a warm and sincere welcome to employees commencing with us.

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

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

Dr. John Engen, CEO

Reasonable Accommodations & Interactive Dialogue

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

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

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

Any employee who would like to request an accommodation based on any of the reasons set forth above should contact HR Manager. Accommodation requests can be made in writing using a form which can be obtained from HR Manager. If the employee who has requested an accommodation has not received an initial response within five (5) business days, they should contact the CEO.

Unless otherwise required by law, NMC, Inc. may request that the employee provide supporting documentation. Cooperating with NMC, Inc. by returning requested information in a timely fashion is required.

After receiving a request for an accommodation or learning indirectly that the employee may require such an accommodation, NMC, Inc. will engage in an interactive dialogue with the employee.

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

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

NMC, Inc. will endeavor to keep confidential all communications regarding requests for reasonable accommodations and all circumstances surrounding the employee's underlying reason for needing an accommodation.

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

Employees with questions regarding this policy should contact HR Manager.

California: Equal Employment Opportunity

NMC, Inc. is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, color, religious creed, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth, and related medical conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, protected medical condition as defined by applicable state or local law (such as cancer), reproductive health decision making, genetic information,, or any other characteristic protected by applicable federal, state, or local laws and ordinances. NMC, Inc.'s management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs, and general treatment during employment.

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

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of HR Manager. NMC, Inc. will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If employees feel they have been subjected to any such retaliation, they should contact HR Manager. To ensure our workplace is free of artificial

barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

California: Discrimination, Harassment, and Retaliation Prevention

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

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

Discrimination Defined

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

Harassment Defined

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

Sexual Harassment Defined

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

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

Examples of conduct that violate this policy include:

- Unwelcome or unwanted sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, and blocking normal movement;

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

Retaliation Defined

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

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

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

Reporting Procedures

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

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

Investigation Procedures

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

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

NMC, Inc. will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if NMC, Inc. determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension, or immediate termination. Anyone, regardless of position or title, who NMC, Inc. determines has engaged in conduct that violates this policy will be subject to discipline up to and including termination.

Training

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

Retaliation Prohibited

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

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

Drug-Free and Alcohol-Free Workplace

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

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

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

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

Employees must notify NMC, Inc. within five (5) calendar days if they are convicted of a criminal drug violation in the workplace. Within ten (10) days of such notification or other actual notice, NMC, Inc. will advise the contracting agency of such conviction.

All employees are hereby advised that full compliance with the foregoing policy shall be a condition of employment at NMC, Inc..

Any employee who violates the foregoing drug-free workplace policy described above shall be subject to discipline up to and including immediate

discharge.

In the discretion of NMC, Inc., any employee who violates the drug-free workplace policy may be required, in connection with or in lieu of disciplinary sanctions, to participate to NMC, Inc.'s satisfaction in an approved drug assistance or rehabilitation program.

In order to maintain a drug-free workplace, NMC, Inc. has established a drug-free awareness program to educate employees on the dangers of drug abuse in the workplace; NMC, Inc.'s drug-free workplace policy; the availability of any drug-free counseling, rehabilitation, and employee assistance programs; and the penalties that may be imposed for violations of our drug-free workplace policy. Such education may include: (1) distribution of NMC, Inc.'s drug-free workplace policy at the employment interview; (2) a discussion of NMC, Inc.'s policy at the new employee orientation session; (3) distribution of a list of approved drug assistance agencies, organizations, and clinics; (4) distribution of published educational materials regarding the dangers of drug abuse; (5) reorientation of all involved employees in cases in which a drug-related accident or incident occurs; (6) inclusion of the policy in handbooks and any other personnel policy publications; (7) lectures or training by local drug abuse assistance experts; (8) discussion by NMC, Inc.'s safety experts on the hazards associated with drug abuse; and (9) video tape presentations on the hazards of drug abuse.

Workplace Violence

NMC, Inc. is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to NMC, Inc. and personal property.

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

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

Prohibited Conduct

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

Procedures for Reporting a Threat

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

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

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

Section 2 - Operational Policies

Employee Classifications

For purposes of this manual, all NMC, Inc. employees fall within one of the classifications below.

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

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

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

Employees who regularly work at least 30 or more hours per week who were not hired on a short-term basis are eligible for health insurance benefits.

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

Your Employment Records

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

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

California: Working Hours and Schedule

NMC, Inc. normally is open for business from 9 to 5, Monday through Friday.

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

Rest Breaks

Non-exempt employees who work three-and-one-half (3.5) or more hours per day are authorized and permitted one (1) 10-minute rest break for every four (4) hours or major fraction thereof worked. For purposes of this policy, "major fraction" means any time greater than two (2) hours. For example, if employees work more than six (6) hours, but no more than 10 hours in a workday, they are authorized and permitted to take two (2) 10-

minute rest breaks: one (1) during the first half of a shift and a second rest break during the second half of the shift. If employees work more than 10 hours but no more than 14 hours in a day, they are authorized and permitted to take three (3) 10-minute rest breaks, and so on.

Rest breaks should be taken as close to the middle of each work period of four (4) hours or major fraction thereof as is practical. Employees do not need to obtain their supervisor's approval or notify their supervisor when taking a rest break. Employees are encouraged to take their rest breaks; they are not expected to and should not work during their rest breaks. Non-exempt employees are paid for all rest break periods and do not need to clock out when taking a rest break.

Rest breaks may not be combined with another rest break or with the meal period. In addition, rest breaks may not be taken at the beginning or end of the work day to arrive late or leave early. Each rest break must be a separate break, meeting the requirements described above. If any work is performed during a rest break, or if the rest break is interrupted for any work-related reason, the employee is entitled to another uninterrupted paid rest break.

NMC, Inc. also provides cool down rest and recovery periods as needed to prevent heat illness as required by law for employees who perform work: (1) outdoors when temperatures are 80 degrees or higher or (2) indoors where temperatures are 82 degrees or higher.

Meal Periods

Employees who work more than five (5) hours in a workday are provided an unpaid, off-duty meal period of at least 30 minutes. Employees are responsible for scheduling their own meal periods, but they should confirm them with their supervisor. Meal periods must begin no later than the end of the fifth hour of work. For example, the employee who begins working at 8:00 a.m. must begin the meal period no later than 12:59 p.m. When scheduling a meal period, employees should try to anticipate workflow and deadlines.

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

During meal periods, employees are relieved of all duty and should not work during this time. When taking a meal period, employees should completely stop working for at least 30 minutes. Employees are prohibited from working "off the clock" during their meal period.

Those employees who use a time clock must clock out for their meal periods. These employees are expected to clock back in and promptly return to work at the end of any meal period. Those employees who record their time manually must accurately record their meal periods by recording the beginning and end of each work period. Unless otherwise directed by a supervisor in writing, employees do not need to obtain a supervisor's approval or notify a supervisor when taking a meal period. Employees are to immediately notify Human Resources if they believe that they are prevented by the nature of their work from taking a timely and/or complete meal period.

Meal Period Waiver

If no more than six (6) hours of work will complete the day's work, employees may voluntarily waive the meal period in writing. Employees should see their supervisor to obtain this waiver form. If the employee works no more than twelve (12) hours, the employee can waive the second meal period, but only if the first meal period was received and not waived in any manner. Any waiver of the second meal period must be in writing and submitted before the second meal period. Employees should see their supervisor to obtain this waiver form. Employees who work more than 12 hours may not waive, and should take, their second unpaid, off-duty, and uninterrupted 30-minute meal period.

No Working During Rest Breaks and Meal Periods

Employees are completely relieved of all work duties and responsibilities during their rest breaks and meal periods. All rest breaks and meal periods must be taken outside the work area, such as in a break room. Employees may leave the premises during rest breaks and meal periods. Employees should not visit or socialize with employees who are working while they are taking a rest break or meal period. Employees, including those in a sensitive position like security or information technology, are not expected to remain “on call” or available to respond to messages, monitor radios, telephones, email, or other devices during meal periods and rest breaks.

Employees are required to immediately notify Human Resources if they believe they are being pressured or coerced by any manager, supervisor or other employee to not take any portion of a provided rest break or meal period.

Remote Work/Telecommuting

NMC, Inc. may allow employees to work remotely if their job duties and work performance are determined to be eligible for remote work. Eligibility will be decided on a case-by-case basis by NMC, Inc.. Employees also may be required to work remotely during periods of public health emergencies if government orders and mandates recommend such work.

This policy provides general information regarding remote work/telecommuting. Employees who are approved to work remotely should consult their individual agreement for specific details of their remote work/telecommuting arrangement, such as expected work hours, equipment provided, and other important information.

Any remote work/telecommuting arrangement may be discontinued by NMC, Inc. at any time and at the discretion of NMC, Inc.. Employees also may discontinue the arrangement but may not be guaranteed office space at NMC, Inc.'s location.

At-Will Employment

This policy and any individual agreement addressing this work arrangement do not create a contract of employment and are not intended to be considered or construed as a promise of continued employment. Employment is at will and may be discontinued at any time by NMC, Inc. or employee without notice, cause, or liability.

Hours of Work

Employees will work full time from home. Scheduled hours of work will be set by the employees' manager or supervisor. Employees should maintain regular contact with their supervisors and managers.

Nonexempt employees must accurately record all hours worked pursuant to NMC, Inc.'s timekeeping system and take rest and meal breaks as if in NMC, Inc.'s workplace and as required by law. Nonexempt employees may not work beyond scheduled working hours (including working more than 40 hours in a workweek) without prior, written authorization from their manager or supervisor.

Location

Employees will provide, at their expense, a secure, dedicated work area. Employees are responsible for maintaining the work area in a safe, secure, and nonhazardous condition at all times. Employees will maintain security devices and procedures necessary to prevent use by unauthorized persons, including by preventing the connection of any NMC, Inc.-furnished computer system, network, or database to any computer, network, or database other than a computer, network, or database to which connections are provided or authorized by NMC, Inc..

Duties

Employees are expected to follow all existing NMC, Inc. policies and procedures. The duties, obligations, responsibilities, and conditions of employment with NMC, Inc. remain unchanged. Employees must stay engaged with work throughout the workday and be fully available during normal business hours. If employees do not successfully perform their job duties remotely, this arrangement will be revoked. Employees are expected to follow existing NMC, Inc. policies with respect to scheduled and unscheduled time off, including the obligation to speak with their manager or supervisor before the scheduled start time in the event of an unscheduled absence, tardy, or early departure.

Accidents and Injuries

Employees agree to maintain safe conditions in the remote work space and to practice the same safety habits and rules applied on NMC, Inc. premises. If employees incur an injury arising out of the course and scope of the assigned job duties while working in the remote work space, the workers' compensation provisions in place for the state in which the employees are working will apply. Employees must notify their supervisor or manager immediately and complete all necessary and/or requested documents regarding the reported injury. NMC, Inc. assumes no responsibility for injuries occurring in the remote work space outside normal working hours or for injuries that occur as a result of a reasonably recognizable unsafe remote work space.

Equipment

Employees agree to use electronic equipment that has been encrypted and meets all of NMC, Inc.'s security requirements. If NMC, Inc. provides equipment for home use, employees agree to provide a secure location for NMC, Inc.-owned equipment and will not use, or allow others to use, such equipment for purposes other than NMC, Inc. business. Employees have no expectation of ownership in such equipment, linkages, property, or other items installed or provided by NMC, Inc.. NMC, Inc. will bear the expense of removal of any such equipment, linkages, and installations provided by NMC, Inc. upon the termination of the remote work/telecommuting arrangement but not modification of or repairs to the work location. Employees hereby release NMC, Inc. from any damage or liability incurred in the installing or removal of the equipment provided by NMC, Inc..

Return of NMC, Inc. Property

All equipment, records, and materials provided by NMC, Inc. will remain NMC, Inc. property. Employees agree to return NMC, Inc. equipment, records, and materials upon request. All NMC, Inc. equipment will be returned by employees for inspection, repair, or replacement as needed or requested or immediately upon termination of the remote work/telecommuting arrangement. All equipment must be returned within five (5) business days of written notice to the employees.

Expenses

Upon presentment of receipts and in accordance with the Business Expense Reimbursement policy, NMC, Inc. will reimburse employees for certain preapproved expenses.

Regular household utility charges, such as electricity, water, phone, Internet service, auto, homeowners' insurance, etc., are not reimbursable unless state law requires reimbursement.

Confidentiality

Employees agree that they are subject to NMC, Inc.'s policies prohibiting the nonbusiness use or dissemination of NMC, Inc.'s confidential business information. Employees will take all appropriate steps to safeguard NMC, Inc.'s confidential business information, including segregating it from personal papers and documents, not allowing nonemployees to access such information, and keeping such information in locked drawers or file cabinets when not in use. Employees will maintain confidential information, including, but not limited to, information regarding NMC, Inc.'s products or services, processing, marketing and sales, client lists, client e-mail addresses and mailing addresses, client data, orders, memoranda, notes, records, technical data, sketches, designs, plans, drawings, trade secrets, research and development data, experimental work, proposals, new product and/or service developments, project reports, sources of supply and material, operating and cost data, and corporate financial information.

Contact

If employees have any questions concerning this policy or would like to apply to work remotely, they should contact HR Generalist.

Artificial Intelligence

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

Evaluation of AI tools. Employees must evaluate the utility and security of any AI tool before using it. This includes reviewing the tool's security features, terms of service, and privacy policy. Employees also should review the reputation of the tool developer and any third-party services used by the tool. But most importantly, employees must receive management approval prior to using any AI tool after explaining the manner in which it will be used and the benefits to the business.

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

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

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

Timekeeping Procedures

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

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

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

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

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

California: Overtime

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

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

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

Employees may work overtime only with management authorization.

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

California: Safe Harbor Policy for Exempt Employees

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

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

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

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

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

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

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

- partial-day absences for personal reasons, sickness or disability;
- absence on a holiday when the facility is closed or because the facility is otherwise closed on a scheduled workday;
- absences for jury duty, attendance as a witness or military leave in any week in which the employee has performed any work; and
- any other deductions prohibited by state or federal law.

If employees believe they have been subject to any improper deductions, they should immediately report the matter to their supervisor. If the supervisor is unavailable or if employees believe it would be inappropriate to contact that person (or if they have not received a prompt and fully acceptable reply), they should immediately contact H Manager or any other supervisor in NMC, Inc. with whom the employee feels comfortable. If employees are unsure of whom to contact if they have not received a satisfactory response within five (5) business days after reporting the incident, they should immediately contact the HR Manager, 999 Central Avenue Suite 300 Los Alamos NM 87544, 505-412-4198.

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

Your Paycheck

Employees will be paid bi-weekly for all the time worked during the past pay period.

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

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

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

Direct Deposit

NMC, Inc. strongly encourages employees to use direct deposit. Authorization forms are available from HR Manager.

Salary Advances

NMC, Inc. does not permit advances on paychecks or against accrued paid time off. Advance pay for vacation must be requested in writing at least two weeks prior to the vacation period.

Performance Review

Depending on the employee's position and classification, NMC, Inc. endeavors to review performance none. However, a positive performance evaluation does not guarantee an increase in salary, a promotion or continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management.

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

Record Retention

NMC, Inc. acknowledges its responsibility to preserve information relating to litigation, audits and investigations. Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against NMC, Inc. and its employees and possible disciplinary action against responsible individuals (up to and including discharge of the employee). Each employee has an obligation to contact the HR Manager to inform them of potential or actual litigation, external audit, investigation or similar proceeding involving NMC, Inc. that may have an impact on record retention protocols.

Job Postings

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

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

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

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

Open Door Policy

All employees have the opportunity to express ideas and opinions to management. NMC, Inc. believes that open communication is essential to a successful work environment, as well as to NMC, Inc.'s success. All employees may express ideas and opinions directly to NMC, Inc. management.

Employees who would like to bring an idea or suggestion to NMC, Inc.'s attention, or just simply wishes to discuss an issue not covered by a separate reporting procedure, are always welcome to send an email or make a call to Human Resources.

Section 3 - Benefits

Benefits Overview

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

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

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

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

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

If employees have any questions regarding benefits, they should contact HR Generalist.

Paid Holidays

None employees are eligible to be paid for the following holidays:

None

When holidays fall or are celebrated on what otherwise would be a regular workday for the eligible employee, eligible employees will receive one (1) day's pay at their regular straight-time rate. Eligible employees who are called in to work on a holiday will receive one (1) day's pay at their regular straight-time rate and an additional payment of straight-time for the actual time they work that day unless otherwise required by applicable law.

California: Paid Time Off

NMC, Inc. appreciates how hard employees work and recognizes the importance of providing time for rest and relaxation. NMC, Inc. fully encourages employees to get this rest by taking paid time off (PTO). PTO under this policy includes extended time off, such as for a vacation, and incidental time due to sickness or to handle personal affairs.

Full-time employees accrue PTO as follows:

During the first partial calendar year of employment and the first five (5) full calendar years of employment, full-time employees accrue up to 20 days of PTO per year. PTO is accrued on a pro-rata basis throughout the year.

Thereafter, full-time employees accrue up to 25 days of PTO per year. PTO continues to be accrued on a pro-rata basis throughout the year.

The maximum PTO entitlement for part-time employees is pro-rated based on hours worked.

Eligible employees accrue PTO up to a cap of one and one-half (1.5) times their maximum yearly accrual. At that point, accrual stops until banked PTO is used. For example, if the maximum PTO accrual for a year is 20 days, an eligible employee will stop accruing PTO once the employee has 30 banked days.

If employees wish to use three (3) or more full days of PTO consecutively, they must submit a request to their manager at least two (2) weeks in advance of the requested time off. Similar notice should be provided for planned time off of shorter duration. Every effort will be made to grant requests, consistent with operating schedules. However, if too many people request the same period of time off, NMC, Inc. reserves the right to choose who may take time off during that period. Individuals with the longest length of service generally will be given preference.

If employees will be out of work due to illness or due to any other emergency for which notice could not be provided, they must call in and notify their supervisor as early as possible but at least by the start of their workday. If they call in sick for three (3) or more consecutive days, they may be required to provide their supervisor with a doctor's note on the day they return to work.

PTO may be used only in half- (1/2-) day increments.

Accrued, unused PTO is paid out upon separation.

California: Sick and Safe Time

Eligibility

Pursuant to the Healthy Workplaces, Healthy Families Act, NMC, Inc. provides paid sick leave to employees who work for NMC, Inc. in California for 30 or more days within a year. For employees who work in California who are eligible for sick time under another policy and/or any other applicable sick time/leave law or ordinance, this policy applies solely to the extent it provides greater benefits/rights on any specific issue or issues than any other policy and/or any other applicable sick time/leave law or ordinance.

Accrual

Employees begin accruing paid sick leave at the start of employment. Paid sick leave will accumulate at the rate of one (1) hour for every 30 hours worked, up to a total maximum accrual of ten (10) days or 80 hours. Employees who are exempt from overtime pursuant to the executive, administrative, and professional exemptions under California law are assumed to work 40 hours in each workweek unless their normal workweek is

less than 40 hours, in which case paid sick leave accrues based upon that normal workweek. For purposes of this policy, the year is the consecutive 12-month period beginning January 1 and ending December 31.

Usage

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

Paid sick leave may be used for the following reasons:

1. For diagnosis, care, or treatment of an existing health condition of or preventive care for, the employee or the employee's family member;
2. To serve on an inquest jury or trial jury;
3. To appear in court to comply with a subpoena or other court order as a witness in any judicial proceeding;
4. To attend judicial proceedings related to certain felonies or other covered crimes that the employee or the employee's family member was a victim of, including, but not limited to, any delinquency proceeding, a post-arrest release decision, plea, sentencing, postconviction release decision, or any proceeding where a right of that person is an issue;
5. For any employee who is a victim or whose family member is a victim of a qualifying act of violence:
   a. To obtain or attempt to obtain any relief for the family member, including but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the family member of the victim;
   b. To seek, obtain, or assist a family member to seek or obtain medical attention for or to recover from injuries caused by a qualifying act of violence;
   c. To seek, obtain, or assist a family member to seek or obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of a qualifying act of violence;
   d. To seek, obtain, or assist a family member to seek or obtain psychological counseling or mental health services related to an experience of a qualifying act of violence;
   e. To participate in safety planning or take other actions to increase safety from future qualifying acts of violence;
   f. To relocate or engage in the process of securing a new residence due to the qualifying act of violence, including but not limited to, securing temporary or permanent housing or enrolling children in a new school or childcare;
   g. To provide care to a family member who is recovering from injuries caused by a qualifying act of violence;
   h. To seek, obtain, or assist a family member to seek or obtain civil or criminal legal services in relation to the qualifying act of violence;
   i. To prepare for, participate in, or attend any civil, administrative, or criminal legal proceeding related to the qualifying act of violence; or
   j. To seek, obtain, or provide childcare or care to a care-dependent adult if the childcare or care is necessary to ensure the safety of the child or dependent adult as a result of the qualifying act of violence; or
6. Any other reason required by applicable law.

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

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

- Domestic violence;

- Sexual assault;
- Stalking; or
- An act, conduct, or pattern of conduct that includes any of the following:
    - An individual causes bodily injury or death to another individual;
    - An individual exhibits, draws, brandishes, or uses a firearm or other dangerous weapon with respect to another individual; or
    - An individual uses, or makes a reasonably perceived or actual threat to use, force against another individual to cause physical injury or death.

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

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

Notice and Documentation

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

Payment

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

Carryover and Payout

Accrued paid sick leave carries over from year to year, but is subject to the accrual cap of 10 days or 80 hours. Once the accrual cap is reached, paid sick leave will stop accruing until some paid sick leave is used.

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

Enforcement and Retaliation

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

If employees have any questions regarding this policy, they should contact HR Manager.

California: Lactation Breaks

NMC, Inc. supports the legal right and necessity of employees who choose to express milk in the workplace. This policy establishes guidelines for promoting a breastfeeding-friendly work environment and supporting lactating employees for as long as they desire to express breast milk.

NMC, Inc. will provide a reasonable amount of break time for employees who wish to express breast milk for their infant child each time the employee has a need to express milk, in accordance with applicable local, state, and federal law. If possible, the break time must run concurrently with rest and meal periods already provided. If break time cannot run concurrently with rest and meal periods, it will be unpaid, to the extent permitted by applicable law.

NMC, Inc. will provide breastfeeding employees with space, in close proximity to their work area, that is shielded from view and free from intrusion from co-workers and the public. The room or location may include the place where the employee normally works if it otherwise meets the requirements of the lactation space. Restrooms are prohibited from being used for lactation purposes.

Employees who need a lactation accommodation should submit a request for possible accommodation to HR Manager. Upon receiving an accommodation request, NMC, Inc. will respond to the employee within five (5) business days. NMC, Inc. and the employee shall engage in an interactive process to determine the appropriate accommodations.

California law expressly prohibits discrimination or retaliation against lactating employees for exercising their rights granted by the ordinance. This includes those who request time to express breast milk at work and/or who lodge a complaint related to the right to lactation accommodations.

Employees have the right to file a complaint with the Labor Commissioner for any violation of the rights underlying this policy.

Employees can consult HR Generalist with questions regarding this policy.

California: Workers' Compensation

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

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

Jury Duty

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

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

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

California: Private Employer Witness Leave

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

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

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

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

California: Voting Leave

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

Insurance Programs

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

Upon becoming eligible to participate in these plans, employees will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Of course, feel free to contact HR Generalist with any further questions.

California: Statutory Short-Term Disability Benefits

NMC, Inc. also provides statutory short-term disability insurance.

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

Long-Term Disability Benefits

Full-time employees are eligible to participate in the Long-Term Disability plan, subject to all terms and conditions of the agreement between NMC, Inc. and the insurance carrier.

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

Salary Continuation

NMC, Inc. provides enhanced monetary short-term disability benefits to full-time employees. These enhanced monetary benefits are inclusive of any monetary workers' compensation or statutory short-term disability benefits.

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

Employee Assistance Program

NMC, Inc. recognizes that a wide range of problems - such as marital or family distress, alcoholism, and drug abuse - not directly associated with an individual's job function can nonetheless be detrimental to an employee's performance on the job. Consequently, we believe it is in the interest of employees and NMC, Inc. to provide an effective program to assist employees and their families in resolving problems such as these as the need arises. To this end, NMC, Inc. provides an Employee Assistance Program (EAP) for employees and their eligible family members. The EAP is designed to provide voluntary, private, confidential, and professional counseling outside the workplace for any type of personal problem. The EAP provides consultation services for referrals to local community treatment sources. All employees are eligible to use this program and are encouraged to do so. Employee visits to the EAP are held in confidence to the maximum possible extent.

Participation in the EAP does not excuse employees from otherwise complying with NMC, Inc. policies or from meeting normal job requirements during or after receiving assistance. Nor will participation in our employee assistance program prevent NMC, Inc. from taking disciplinary action against any employee for performance problems that occur before, during, or after the employee seeks assistance through the program.

Transportation Reimbursement Program

NMC, Inc. provides a Transportation Reimbursement Program which allows all employees to pay for eligible transportation expenses with pre-tax income. Employees may participate on the first of the month after one (1) month of employment. The program works similarly to a Flexible Benefits Program, in which employees elect to have a portion of pre-tax income transferred to an account for future reimbursement for transportation expenses. The amount of contributions is subject to IRS limits which generally change every year. Upon becoming eligible to participate in this plan, employees will receive a Summary Plan Document (SPD) describing the benefit in greater detail. Employees should refer to the SPD for detailed plan information. Of course, employees also should feel free to speak to HR Generalist if they have any further questions.

Retirement Plan

Eligible employees are able to participate in NMC, Inc.'s retirement plan. Plan participants may make pre-tax contributions to a retirement account.

Upon becoming eligible to participate in this plan, employees will receive an SPD describing the plan in greater detail. Please refer to the SPD for detailed plan information. Of course, feel free to speak to HR Generalist if there are any further questions.

California: Paid Family Leave Benefits

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

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

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

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

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

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

Section 4 - Leaves of Absence

California: Personal Leave

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

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

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

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

Personal leave runs concurrently with any NMC, Inc.-provided Short-Term Disability Leave of Absence.

Military Leave

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

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

California: Time off for Military Spouses

If the employee works, on average, at least 20 hours per week and their spouse is a qualified member of the United States Armed Forces, the National Guard or the Reserves, the employee is eligible to take leave for a period of up to 10 days while their spouse is home during a qualified leave period. When the employee is also eligible for military family member exigency leave, leave under this policy shall also count toward the

employee's leave entitlement under the Family and Medical Leave Act (FMLA), where the time off meets the definition of FMLA military exigency leave.

Required Notice to Employer

Within two (2) business days of receiving official notice that the employee's spouse will be on leave the employee must provide notice to NMC, Inc. of their intent to take military spouse leave.

Required Documentation

The employee must submit written documentation to NMC, Inc. certifying that during the requested time off, the employee's spouse will be on leave from deployment during a period of military conflict.

Leave is Unpaid

Leave granted under this policy is unpaid.

Definitions

For the purposes of this policy, the following definitions apply:

"Qualified Member" means any of the following:

- a member of the United States Armed Forces who is deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States; or
- a member of the National Guard who is deployed during a period of military conflict; or
- a member of the Reserves who is deployed during a period of military conflict.

"Period of Military Conflict" means any of the following:

- a period of war declared by the U.S. Congress; or
- a period of deployment for which members of the Reserves are ordered to active duty.

"Qualified Leave Period" means the period during which the qualified member is on leave from deployment during a period of military conflict.

California: Bone Marrow Donation Leave

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

California: Organ Donation Leave

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

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

California: Family and Medical Leave

Employees may be entitled to a job-protected leave of absence under the Family and Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA). The U.S. Department of Labor's Wage and Hour Division (WHD) enforces the FMLA. Additionally, employees who are CFRA-eligible have certain rights to take both a pregnancy disability leave (PDL) and CFRA leave for the birth of a child.

This policy provides employees with information concerning FMLA/CFRA entitlements and obligations they may have during such leaves and also explains differences between FMLA, CFRA, and PDL. Where more than one (1) of the laws applies, leave taken may be counted under more than one (1) law at the same time to the extent permitted by the applicable law(s). For example, where leave for a pregnancy disability is also FMLA-qualifying, the leave will count against both FMLA and PDL entitlements. However, PDL is separate from and does not count against employees' CFRA leave entitlement. (Please consult the Pregnancy Disability Leave policy for more information on PDL.) This policy will be interpreted to comply with the law(s) that apply to a particular leave.

If employees have any questions concerning FMLA/CFRA leave, they should contact HR Generalist.

I. Eligibility

The FMLA and CFRA provide eligible employees with a right to leave, health insurance benefits, and, with some limited exceptions, job restoration. To be an "eligible employee," the employee must: 1) have been employed by NMC, Inc. for at least 12 months (which need not be consecutive) and 2) have worked for at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave. All California employees who meet these two (2) criteria are eligible for CFRA leave. California employees also may be eligible to take leave for FMLA reasons if they are eligible for CFRA leave and work at a worksite where 50 or more employees are located within 75 miles.

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

II. Entitlements for FMLA/CFRA Leave

A. Basic FMLA/CFRA Leave Entitlement

The FMLA/CFRA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined by the calendar year. In some instances, leave may be counted under the FMLA but not CFRA or CFRA but not the FMLA. Leave may be taken for any one (1), or for a combination, of the following reasons:

1. The birth of a child and to care for a newborn child (counts toward FMLA and CFRA leave entitlements);

2. For placement with the employee of a child for adoption or foster care and to care for the newly placed child (counts toward FMLA and CFRA leave entitlements);

3. To care for the employee's spouse, child, or parent with a serious health condition (counts toward FMLA and CFRA leave entitlements);

4. To care for the employee's registered domestic partner, parent-in-law, grandparent, grandchild, sibling, or designated person with a serious health condition (counts towards CFRA entitlements only, except when a grandparent, grandchild, or sibling meets FMLA definition of parent or child);

5. For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care, or childbirth) that makes the employee unable to perform one (1) or more of the essential functions of their job (counts toward FMLA and CFRA leave entitlements except leave for the employee's disability due to pregnancy, childbirth, or related medical condition does not count against CFRA leave); and/or

6. Because of any qualifying exigency arising out of the fact that the employee's spouse, registered domestic partner, child, parent, or parent-in-law is a military member on covered active-duty status (or has been notified of an impending call or order to covered active-duty status) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country (counts toward FMLA/CFRA leave entitlements, except that leave taken for a registered domestic partner or parent-in-law counts towards CFRA leave entitlement only).

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

Under the FMLA, a “serious health condition” is an illness, injury, impairment, or physical or mental condition that involves a period of incapacity or treatment connected with inpatient care (e.g., an overnight stay) in a medical care facility, hospice, or residential health care facility; or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of their job or prevents the qualified family member from participating in school or other daily activities.

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

Under the CFRA, a "designated person" means any individual related by blood or whose relationship with the employee is the equivalent of a family relationship. The designated person may be identified by the employee at the time the employee requests the leave. NMC, Inc. may limit employees to one (1) designated person every 12-month period for family care and medical leave.

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

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

A leave of absence in connection with a workers' compensation injury/illness or for which the employee receives disability or State of California Paid Family Leave benefits shall run concurrently with FMLA/CFRA leave.

B. Additional Military Family Leave Entitlement (FMLA Only)

In addition to the basic FMLA/CFRA leave entitlement described above, an eligible employee who is the spouse, child, parent, or next of kin of a "servicemember" is entitled to take up to 26 weeks of leave during a 12-month period to care for the servicemember with a serious injury or illness. Leave to care for a servicemember is available during a single 12-month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured servicemember.

A "covered servicemember" is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also include a veteran who is discharged or released from military service under conditions other than dishonorable at any time during the five- (5-) year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definition of a serious illness or injury for current Armed Forces members and covered Veterans are distinct from the definition of "serious health condition" applicable to leave to care for a family member or the employee's own illness or injury.

C. Intermittent Leave and Reduced Leave Schedules

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

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

D. Health Insurance Benefits Schedules

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

E. No Work While on Leave

The taking of another job while on FMLA/CFRA leave or any other approved leave of absence is prohibited except as authorized by NMC, Inc. or permitted by applicable law.

F. Restoration of Employment and Benefits

At the end of FMLA/CFRA leave, employees generally have a right to return to the same or equivalent positions they held before the FMLA/CFRA leave. There may be an exception for certain "key employees" under the FMLA (the CFRA does not have an exception for "key employees"). NMC, Inc. will provide notice if employees qualify as "key employees" if it intends to deny reinstatement and any applicable rights in such instances.

Use of FMLA/CFRA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA/CFRA leave.

G. Notice of Eligibility for, and Designation of, FMLA/CFRA Leave

Employees requesting FMLA/CFRA leave are entitled to receive written notice from NMC, Inc. telling them whether they are eligible for FMLA/CFRA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA/CFRA leave, employees are entitled to receive written notice of:

1. Their rights and responsibilities in connection with such leave;
2. NMC, Inc.'s designation of leave as FMLA/CFRA-qualifying or non-qualifying, if not FMLA/CFRA-qualifying, the reasons why; and
3. The amount of leave, if known, that will be counted against the employee's leave entitlement.

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

III. Employee Obligations for FMLA/CFRA Leaves

A. Provide Notice of the Need for Leave

Employees who take FMLA/CFRA leave must notify, in a timely manner, NMC, Inc. of their need for FMLA/CFRA leave. The following describes the content and timing of such notices.

1. Content of Notice

To trigger FMLA/CFRA leave protections, employees must inform HR Generalist of the need for FMLA/CFRA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA/CFRA leave specifically or explaining the reasons for leave to allow NMC, Inc. to determine that the leave is FMLA/CFRA-qualifying. For example, employees might explain that:

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

Calling in "sick," without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA/CFRA leave under this policy. Employees must respond to NMC, Inc.'s lawful questions to determine if absences are potentially FMLA/CFRA-qualifying. Employees do not have to share a medical diagnosis.

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

2. Timing of Notice

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

B. Cooperating in the Scheduling of Leave

When planning medical treatment for themselves or family members or requesting to take leave on an intermittent or reduced schedule work basis, employees must consult with NMC, Inc. and make a reasonable effort to schedule treatment so as not to unduly disrupt NMC, Inc. operations. Employees must consult with NMC, Inc. prior to scheduling treatment in order to work out a treatment schedule that best suits the needs of both NMC, Inc. and the employees, subject to the approval of the applicable health care provider. To the extent permitted by applicable law, when employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for employees or family members, including a period of recovery from a serious health condition or to care for a covered servicemember, NMC, Inc. may temporarily transfer employees to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

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

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

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

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

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

1. Initial Medical Certifications

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

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

2. Medical Recertifications

Depending on the circumstances and duration of FMLA/CFRA leave, NMC, Inc. may require employees to provide recertification of medical conditions giving rise to the need for leave. NMC, Inc. will notify employees if recertification is required and will give employees at least 15 calendar days to provide medical recertification. In cases of leave that qualifies under CFRA, recertification will be requested only when the original certification has expired and additional leave is requested.

3. Return-to-Work Release

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

D. Submit Certifications Supporting Need for Military Family Leave

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the covered active duty or call to covered active duty status of a military member, NMC, Inc. may require them to provide:

1. A copy of the military member's active duty orders or other documentation issued by the military indicating the military member is on covered active duty or call to active duty status and the dates of the military member's covered active duty service and
2. A certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active-duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active-duty status of the same or a different military member.

When leave is taken to care for a covered servicemember with a serious injury or illness as allowed by the FMLA only, NMC, Inc. may require employees to obtain certifications completed by an authorized health care provider of the covered servicemember. In addition, and in accordance with the FMLA regulations, NMC, Inc. may request that the certification submitted set forth additional information provided by the employee and/or the covered servicemember confirming entitlement to such leave.

E. Reporting Changes to Anticipated Return Date

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

F. Substitute Paid Leave for Unpaid FMLA Leave

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

- If employees request FMLA/PDL leave because of disability due to pregnancy, childbirth, or related medical conditions (excluding absences for which they are receiving short-term disability benefits), they must first substitute any accrued paid sick leave for unpaid FMLA/PDL leave. Employees may make a written request to substitute accrued, unused vacation, or other paid time off benefits for unpaid FMLA/PDL leave once their sick leave is exhausted.
- If employees request FMLA/CFRA leave because of their own serious health condition (excluding absences for which they are receiving workers' compensation or short-term disability benefits), they must first substitute any accrued paid vacation, sick, or other paid time off for unpaid FMLA/CFRA leave.
- If employees request FMLA/CFRA leave to care for a covered family member with a serious health condition or bond with a newborn child or newly placed child (excluding absences for which they are receiving Paid Family Leave benefits), they must first substitute any accrued paid vacation or other paid time off for unpaid family/medical leave. Once vacation or other paid time off is exhausted, upon their request, they can substitute paid sick leave for unpaid FMLA/CFRA leave to care for a covered family member with a serious health condition. Employees cannot use sick leave to bond with a child when the child is not ill or sick.

For purposes of this substitution requirement, leave is not "unpaid" during any time for which the employee is receiving compensation from the State of California under its State Disability Insurance or Paid Family Leave programs or when receiving compensation from workers' compensation.

Employees will not be required to use accrued paid leave hours during any time off under this policy for which they are receiving compensation under these programs. However, where applicable and permitted by law, they will be required to use paid leave accruals during any waiting periods applicable to these programs, and upon written request, NMC, Inc. will allow them to use accrued paid time off to supplement any paid workers' compensation, disability, or Paid Family Leave benefits.

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

G. Pay Employee's Share of Health Insurance Premiums

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

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

H. Coordination of FMLA Leave with Other Leave Policies

The FMLA and CFRA do not affect any federal, state, or local law prohibiting discrimination, or supersede any State or local law which provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA/CFRA leave is either not available or exhausted, please consult NMC, Inc.'s other leave policies in this manual or contact HR Generalist.

QUESTIONS AND/OR COMPLAINTS ABOUT FMLA/CFRA LEAVE

If employees have questions regarding this policy, they should contact HR Generalist. NMC, Inc. is committed to complying with the FMLA and CFRA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA and CFRA.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain, or deny the exercise of any right provided under FMLA; or 2) discharge, discriminate, threaten, punish, or otherwise retaliate against any person for exercising their rights under the law including requesting FMLA leave, opposing any practice made unlawful by the FMLA or involvement in any investigation or proceeding under or relating to the FMLA including cooperating with a WHD investigation. If employees believe their FMLA rights have been violated, they should contact HR Generalist immediately. NMC, Inc. will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA violation. Employees who believe their rights under the FMLA have been violated also may file FMLA complaints with the WHD or may bring private lawsuits alleging FMLA violations against an employer in court.

California: Leave for Qualifying Acts of Violence

Any employee who is a victim or whose family member is a victim of a qualifying act of violence, may take unpaid leave for up to 12 weeks in any 12-month period for the following reasons:

- To obtain or attempt to obtain any relief for the family member. Relief includes, but is not limited to, a temporary restraining order, restraining order, or other injunctive relief to help ensure the health, safety, or welfare of the family member of the victim.

- To seek, obtain, or assist a family member to seek or obtain medical attention for or to recover from injuries caused by a qualifying act of violence.
- To seek, obtain, or assist a family member to seek or obtain services from a domestic violence shelter, program, rape crisis center, or victim services organization or agency as a result of a qualifying act of violence.
- To seek, obtain, or assist a family member to seek or obtain psychological counseling or mental health services related to an experience of a qualifying act of violence.
- To participate in safety planning or take other actions to increase safety from future qualifying acts of violence.
- To relocate or engage in the process of securing a new residence due to the qualifying act of violence, including, but not limited to, securing temporary or permanent housing or enrolling children in a new school or childcare.
- To provide care to a family member who is recovering from injuries caused by a qualifying act of violence.
- To seek, obtain, or assist a family member to seek or obtain civil or criminal legal services in relation to the qualifying act of violence.
- To prepare for, participate in, or attend any civil, administrative, or criminal legal proceeding related to the qualifying act of violence.
- To seek, obtain, or provide childcare or care to a care-dependent adult if the childcare or care is necessary to ensure the safety of the child or dependent adult as a result of the qualifying act of violence.

If any employee's family member is a victim who is not deceased as a result of crime, and the employee is not a victim, the employee may only take a leave of 10 days under this policy. If the employee's family member is a victim who is not deceased as a result of a crime, and the employee is not a victim, and the employee takes leave to relocate or engage in the process of securing a new residence due to the qualifying act of violence, including, but not limited to, securing temporary or permanent housing or enrolling children in a new school or childcare, the employee may only take leave for five (5) days.

For purposes of this policy, "family member" means a child, parent, grandparent, grandchild, sibling, spouse, domestic partner, or designated person. "Designated person" means any individual related by blood or whose association with the employee is the equivalent of a family relationship. The designated person may be identified by the employee at the time the employee requests the leave. Employees may only designate one (1) person per 12-month period.

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

- Domestic violence;
- Sexual assault;
- Stalking; or
- An act, conduct, or pattern of conduct that includes any of the following:
    - In which an individual causes bodily injury or death to another individual;
    - In which an individual exhibits, draws, brandishes, or uses a firearm, or other dangerous weapon, with respect to another individual; or
    - In which an individual uses, or makes a reasonably perceived or actual threat to use, force against another individual to cause physical injury or death.

NMC, Inc. may require proof of the employee's participation in these activities. Whenever possible, employees must provide their supervisor reasonable notice before taking any time off under this policy.

Employees may substitute any accrued vacation, sick, or other time off for the leave under this policy. Leave under this policy does not extend the time allowable under the "Family and Medical Leave" and "California Family Rights Act" policies in this manual.

No employees will be subject to discrimination or retaliation because of their status as a victim or whose family member is a victim of a qualifying act of violence. Any employee who is a victim, or whose family member is a victim of a qualifying act of violence may request other workplace accommodations such as a transfer, schedule modification, implementation of safety measures, or referral to victim assistance. NMC, Inc. will engage

in a good faith interactive process to determine reasonable accommodations, considering any immediate danger, so long as it does not cause undue hardship on business operations.

California: Bereavement Leave

Employees who have been employed for at least 30 days may take bereavement leave of up to five (5) days upon the death of a family member. For the purposes of this policy, a family member includes a spouse or a child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law.

Bereavement leave need not be consecutive but must be completed within three (3) months of the family member's death.

Bereavement leave will be unpaid. However, employees may substitute accrued vacation, personal days, or sick leave during unpaid leave taken under this policy, but this substitution does not extend the length of the leave.

If requested by NMC, Inc., employees must provide documentation of the death of the family member within 30 days of the first day's leave. Documentation includes, but is not limited to, a death certificate, a published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency.

NMC, Inc. will maintain the confidentiality of any employee requesting leave under this policy including documentation provided to NMC, Inc. related to a request for leave. Employees wishing to utilize bereavement leave should contact HR Generalist. Employees will not be subject to adverse action for exercising rights or attempting to exercise rights under this policy, opposing practices that they believe to be in violation of this policy, or supporting the exercise of rights of another under this policy.

California: Reproductive Loss Leave

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

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

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

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

California: Time off for Crime Victims

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

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

Employees may elect to use accrued paid vacation time, paid sick leave time, or other paid time off for the absence. If the employee does not elect to use paid time off, the absence will be unpaid. However, exempt employees will be paid their full salary for any workweek interrupted by the need for time off under this policy.

California: Pregnancy Disability Leave

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

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

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

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

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

Employees are required to obtain a certification from their health care provider of the need for pregnancy disability leave or the medical advisability of an accommodation or for a transfer. The certification is sufficient if it contains: (1) a description of the requested reasonable accommodation or

transfer; (2) a statement describing the medical advisability of the reasonable accommodation or transfer because of pregnancy; and (3) the date on which the need for reasonable accommodation or transfer became or will become medically advisable and the estimated duration of the reasonable accommodation or transfer.

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

Upon request, the employee will be provided with a medical certification form that the employee can take to the doctor.

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

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

NMC, Inc. encourages employees to contact the California Employment Development Department regarding eligibility for state disability insurance for the unpaid portion of the leave.

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

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

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

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

California: Time off for Volunteer Firefighters, Reserve Peace Officers, and Emergency Rescue Personnel

Employees who are volunteer firefighters, reserve peace officers, or emergency rescue personnel are permitted unpaid time off, not to exceed 14 days per calendar year, for the purpose of engaging in fire, law enforcement, or emergency rescue training.

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

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

Section 5 - General Standards of Conduct

Workplace Conduct

NMC, Inc. endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense, and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including discharge, in NMC, Inc.'s sole discretion. The following are examples of some, but not all, conduct which can be considered unacceptable:

1. Obtaining employment on the basis of false or misleading information.
2. Stealing, removing, or defacing NMC, Inc. property or a co-worker's property, and/or disclosure of confidential information.
3. Completing another employee's time records.
4. Violation of safety rules and policies.
5. Violation of NMC, Inc.'s Drug and Alcohol-Free Workplace Policy.
6. Fighting, threatening, or disrupting the work of others or other violations of NMC, Inc.'s Workplace Violence Policy.
7. Failure to follow lawful instructions of a supervisor.
8. Failure to perform assigned job duties.
9. Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness, or unexcused absences.
10. Gambling on NMC, Inc. property.
11. Willful or careless destruction or damage to NMC, Inc. assets or to the equipment or possessions of another employee.
12. Wasting work materials.
13. Performing work of a personal nature during working time.
14. Violation of the Solicitation and Distribution Policy.
15. Violation of NMC, Inc.'s Harassment or Equal Employment Opportunity Policies.
16. Violation of the Communication and Computer Systems Policy.
17. Unsatisfactory job performance.
18. Any other violation of NMC, Inc. policy.

Obviously, not every type of misconduct can be listed. Note that all employees are employed at-will, and NMC, Inc. reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. NMC, Inc. will deal with each situation individually and nothing in this manual should be construed as a promise of specific treatment in a given situation. However, NMC, Inc. will endeavor to utilize progressive discipline but reserves the right in its sole discretion to terminate the employee at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

Punctuality and Attendance

Employees are hired to perform important functions at NMC, Inc.. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive and disruptive and place

an unfair burden on fellow employees and supervisors. NMC, Inc. expects excellent attendance from all employees. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

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

Unreported absences of three (3) consecutive workdays generally will be considered a voluntary resignation of employment with NMC, Inc..

Use of Communications and Computer Systems

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

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

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

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

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

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

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

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

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

Use of Social Media

NMC, Inc. respects the right of any employee to maintain a blog or web page or to participate in a social networking, X (formerly Twitter), or similar site, including but not limited to Facebook and LinkedIn. However, to protect NMC, Inc. interests and ensure employees focus on their job duties, employees must adhere to the following rules:

Employees may not post on a blog or web page or participate on a social networking platform, such as X (formerly Twitter) or similar site, during work time or at any time with NMC, Inc. equipment or property.

All rules regarding confidential and proprietary business information apply in full to blogs, web pages, and social networking platforms, such as X (formerly Twitter), Facebook, LinkedIn, or similar sites. Any information that cannot be disclosed through a conversation, a note, or an e-mail also cannot be disclosed in a blog, web page, or social networking site.

Whether the employees are posting something on their own blog, web page, social networking, X (formerly Twitter), or similar site or on someone else's, if the employee mentions NMC, Inc. and also expresses either a political opinion or an opinion regarding NMC, Inc.'s actions that could pose an actual or potential conflict of interest with NMC, Inc., the poster must include a disclaimer. The poster should specifically state that the opinion expressed is a personal opinion and not NMC, Inc.'s position. This is necessary to preserve NMC, Inc.'s good will in the marketplace.

Any conduct that is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a blog, web page, social networking, X (formerly Twitter), or similar site. For example, posted material that is discriminatory, obscene, defamatory, libelous, or violent is forbidden. NMC, Inc. policies apply equally to employee social media usage.

NMC, Inc. encourages all employees to keep in mind the speed and manner in which information posted on a blog, web page, and/or social networking site is received and often misunderstood by readers. Employees must use their best judgment. Employees with any questions should review the guidelines above and/or consult with their manager. Failure to follow these guidelines may result in discipline, up to and including discharge.

Personal and Company-Provided Portable Communication Devices

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

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

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

If employees who use a personal PCD for business resign or are discharged, they will be required to submit the device to the IT department for resetting on or before their last day of work. At that time, the IT department will reset and remove all information from the device, including but not limited to, NMC, Inc. information and personal data (such as contacts, e-mails and photographs). The IT department will make efforts to provide

employees with the personal data in another form (e.g., on a disk) to the extent practicable; however, the employee may lose some or all personal data saved on the device.

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

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

Portable Communication Device Use While Driving

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

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

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

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

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

Inspections

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

Smoking

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

Personal Visits and Telephone Calls

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

For safety and security reasons, employees are prohibited from having personal guests visit or accompanying them anywhere in NMC, Inc. facilities other than the reception areas.

Solicitation and Distribution

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

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

Bulletin Boards

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

Confidential Company Information

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

Conflict of Interest and Business Ethics

It is NMC, Inc.'s policy that all employees avoid any conflict between their personal interests and those of NMC, Inc.. The purpose of this policy is to ensure that NMC, Inc.'s honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is

that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of NMC, Inc..

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

1. Holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with NMC, Inc., by any employee who is in a position to directly or indirectly influence either NMC, Inc.'s decision to do business, or the terms upon which business would be done with such organization;
2. Holding any interest in an organization that competes with NMC, Inc.;
3. Being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with NMC, Inc. or which competes with NMC, Inc.; and/or
4. Profiting personally, e.g., through commissions, loans, expense reimbursements, or other payments, from any organization seeking to do business with NMC, Inc..

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

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

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

Use of Facilities, Equipment and Property, Including Intellectual Property

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

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

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

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

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

Health and Safety

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

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

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

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

Hiring Relatives/Employee Relationships

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

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

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

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

Employee Dress and Personal Appearance

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

Publicity/Statements to the Media

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

Operation of Vehicles

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

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

NMC, Inc.-owned or leased vehicles may be used only as authorized by management.

Portable Communication Device Use While Driving

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

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

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

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

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

California: Business Expense Reimbursement

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

Employees should complete expense reimbursement reports within 60 days of incurring the expenses and submit the reports and receipts to the employee's Supervisor.

References

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

Only the Human Resources Department may provide references.

If You Must Leave Us

Should any employees decide to leave NMC, Inc., we ask that they provide a Supervisor with at least advance notice of departure. Thoughtfulness will be appreciated. All NMC, Inc., property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. Employees also must return all of NMC, Inc.'s Confidential Information upon separation. To the extent permitted by law, employees will be required to repay NMC, Inc. (through payroll deduction, if lawful) for any lost or damaged NMC, Inc. property. As noted previously, all employees are employed at-will and nothing in this manual changes that status.

Exit Interviews

Employees who resign are requested to participate in an exit interview with the Human Resources Representative, if possible.

A Few Closing Words

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

Section 6 - Acknowledgments

General Handbook Acknowledgment

This Employee manual is an important document intended to help employees become acquainted with NMC, Inc.. This document is intended to provide guidelines and general descriptions only; it is not the final word in all cases. Individual circumstances may call for individual attention.

Because NMC, Inc.'s operations may change, the contents of this manual may be changed at any time, with or without notice, in an individual case or generally, at the sole discretion of management.

Please read the following statements and sign below to indicate your receipt and acknowledgment of this manual.

I have received and read a copy of NMC, Inc.'s Employees manual. I understand that the policies, rules and benefits described in it are subject to change at the sole discretion of NMC, Inc. at any time.

I further understand that my employment is terminable at will, either by myself or NMC, Inc., with or without cause or notice, regardless of the length of my employment or the granting of benefits of any kind.

I understand that no representative of NMC, Inc. other than the CEO may alter "at will" status and any such modification must be in a signed writing.

I understand that my signature below indicates that I have read and understand the above statements and that I have received a copy of NMC, Inc.'s Employee manual.

Employee's Printed Name: _____

Employee's Signature: _____

Position: _____

Date: _____

The signed original copy of this acknowledgment should be given to management - it will be filed in your personnel file.

California: Acknowledgment and Receipt of Discrimination, Harassment, and Retaliation Prevention Policy

I acknowledge that I have received, read, and understand NMC, Inc.'s Discrimination, Harassment, and Retaliation Prevention policy for the State of California. I agree to abide by and be bound by the rules, provisions and standards set forth in NMC, Inc.'s policy. I further acknowledge that NMC, Inc. reserves the right to revise, delete, and add to the provisions of the Discrimination, Harassment, and Retaliation Prevention Policy at any time. I also acknowledge I have received the California Civil Rights Department's brochure, Sexual Harassment Fact Sheet (CRD-185 brochure).

Employee's Printed Name: _____

Employee's Signature: _____

Employee's Position: _____

Date: _____

The signed original copy of this receipt should be given to management. It will be kept in your personnel file.