



Integrity **P**assion **E**xcellence **R**espect

Employee Handbook

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Dear Kissito Healthcare Team Member:

We are excited you have chosen to join The Kissito Team, and we look forward to working with you. Kissito is unique in that we are engaged in Acute, Post-Acute, and LTC throughout the world. As a Not for Profit organization we are mission driven existing simply for the betterment and care of human life. We are an innovator in the development and operation of freestanding Post-Acute centers and facilities and in our approach to staffing and building Developing Nation hospitals.

Kissito facilities and employees are proud of the recognition we have earned, including:

- 2008 Virginia Health Quality Center Gold Star Award (Sole Recipient)
- 2008 Virginia Health Quality Center Bronze Star Award (2)
- 2008 Virginia Teen Volunteer of the Year Award
- 2008 Arizona Health Care Association Certified Nursing Assistant of the Year Award
- 2008 National Association of Health Care Assistants Best Attitude Award
- 2006 Yuma County Arizona Employer of the Year Award

At Kissito, we strongly believe our purpose and core values are the cornerstones of Kissito's success and are critical components as we continue our journey from "Good to Great". Kissito embraces our purpose and core values:

Kissito Healthcare exists for the betterment and care of human life.

***Integrity:** To display unequivocal honesty*

***Passion:** To exhibit enthusiasm toward our purpose*

***Excellence:** To set high standards and strive to be the very best*

***Respect:** To honor the dignity and worth of each person*

As a member of The Kissito Team, you will be expected to share our purpose, embody our core values, and display these values in all of your interactions. Again, we are delighted to have you as a member of The Kissito Team and wish you much success.

I*P*E*R

Tom and Ana Clarke

Welcome To Kissito Healthcare

Welcome to Kissito Healthcare. We are pleased and excited you have chosen to join The Kissito Team and we look forward to working together.

FOREWORD

There are several things that are important to keep in mind about this handbook.

1. This handbook contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. As such, if you have questions concerning eligibility for a particular benefit, or the applicability of a policy or practice to you, address your specific questions to your immediate supervisor, the Director of Nursing, or the Chief Administrative Officer (Administrator).
2. Neither this handbook nor any other Company document confers any contractual right; either expressed or implied, to remain in Kissito Healthcare's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will, with or without cause and with or without prior notice, by Kissito Healthcare or you may resign for any reason at any time. No supervisor or other representative of the company has the authority to enter into any agreement for employment for any specific period of time, or to make any agreement contrary to the above.

3. Kissito Healthcare is the manager, and as a non-profit, is the sole member of your facility's operating entity. You are an employee of your facility, not Kissito Healthcare. In this handbook, the term "Kissito Healthcare" is used collectively to refer to all facilities managed by Kissito Healthcare.
4. Kissito Healthcare reserves the right, in its sole and absolute discretion, to amend, modify or terminate, in whole or in part, any or all of the procedures, practices, policies, and benefits described herein. Further, the Company reserves the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply and interpret the procedures, practices, policies and benefit plans described herein, and to decide all matters arising in connection with the operation or administration of same.
5. This handbook contains a very general description of the procedures, practices, policies and benefit plans. Please understand that this general explanation is not intended to, and does not, provide you with all the details of these procedures, practices, policies and benefit plans. Therefore, this handbook does not change or otherwise interpret the terms of the official plan documents. To the extent that any of the information contained in this handbook is inconsistent with the official plan documents, the provisions of the official plan documents will govern in all cases.

EMPLOYMENT-AT-WILL

Your employment with Kissito Healthcare is a voluntary one and is subject to termination by you or Kissito Healthcare at will, with or without cause, and with or without notice, at any time. Nothing in these policies shall be interpreted to be in

conflict with or to eliminate or modify in any way the employment-at-will status of Kissito Healthcare's employees.

OUR FACILITIES

Arizona

Palm View Rehabilitation & Care Center in Yuma, Arizona is a 143-bed nursing and rehabilitation facility. With 50 beds, Palm View's dementia unit is the largest in southwestern Arizona.

Texas

Hondo Healthcare & Rehabilitation Center is a 90-bed nursing and rehabilitation facility located in Hondo, Texas, just outside of San Antonio, at the foothills of beautiful Hill Country. Our facility offers 24 hour nursing care, physical therapy, occupational therapy, and speech therapy.

Katyville Healthcare Center is a 106-bed nursing and rehabilitation facility located in Katy, TX, just 20 minutes from Houston. The facility provides nursing care and physical, occupational and speech therapy. We provide comprehensive wound care and wound vacuums, intravenous therapy and tracheotomy care.

Cane Island Post Acute Care Center is a 75 bed post acute comprehensive nursing and rehabilitative care facility located in Katy, TX. The facility is committed to bridging the gap between hospital and home.

Virginia

Bland County Nursing & Rehabilitation Center, in Bastian, Virginia, is a 57-bed facility. We are experts at easing the transition from acute care to skilled nursing care, offering a wide variety of services including: intravenous therapy, peripheral and central line management, total

parental nutrition, g-tube management, advanced wound care management including venous, arterial, and surgical wounds, renal dialysis outpatient care, ostomy care and tracheotomy management.

Brian Center Nursing Care is a 60-bed nursing and rehabilitation facility located in the country setting of beautiful Fincastle, Virginia, just 15 minutes north of Roanoke. Our facility offers physical, occupational, and speech therapy. We have discharged hundreds of patients to home after rehabilitation. We are highly experienced in treating complex wounds as well as in the use of wound vacuums, and are also very skilled in the care of feeding tubes, intravenous therapy, and tracheotomy care. Our facility is one of only a few in the state to offer ventilator care.

The Springs Nursing Center is a 60-bed rehabilitation and nursing facility nestled in the mountains of western Virginia, in beautiful Hot Springs. We have a home-like environment designed to meet the medical, social, and emotional needs of our residents. We offer physical, occupational and speech therapies for those who need rehabilitative services. "The Home Place" is our special care unit for Alzheimer's and dementia residents, providing a safe and therapeutic home that maximizes independent functioning and helps take the stress of care from families, allowing them to enjoy spending quality time with their loved ones.

Maple Grove Rehabilitation and Health Care Center, a 60-bed facility located in Lebanon, Virginia, meets resident and patient needs ranging from minimal 24-hour nursing supervision to extensive rehabilitation and medical treatment. The Grove specializes in post-surgery sub-acute rehabilitation and nursing, and we have a full-time dedicated wound care nurse. Our team of professionals is trained and certified in intravenous therapy, total parental nutrition tracheotomy care, and all types of respiratory care.

Brian Center Rehabilitation & Nursing Care, in Low Moor, Virginia, is a 60-bed skilled nursing facility, located on the campus of Alleghany Regional Hospital, the region's largest acute care medical center. We are very rehabilitation-focused, with nursing care that includes intravenous therapies, wound vacuums and clinically complex residents. We have a certified VitalStim™ Therapist on staff to rehabilitate residents with dysphagia. Our staff is experts at rehabilitating residents and helping them achieve functionality again at home – 75 percent of our Medicare residents are able to be discharged to home.

PARC Place located at the Brian Center Alleghany offers an assisted living area and a post acute rehabilitation center.

OUR PURPOSE

Kissito Healthcare is you! We value each life and promote a diverse and active lifestyle. We are committed to excellent care in a comfortable and cost-efficient setting. We are committed to each team member and recognize the importance of personal balance between work and home.

OUR COMMITMENT

Kissito Healthcare is committed to providing excellent health care and meaningful lifestyles to those entrusted to our care. We are committed to supporting each team member and treating all with respect, dignity and honesty. If we fall short of this commitment we want to know, we want to respond and most of all we want to make it better. The Kissito Hot Line is available 24 hours each day, 7 days per week, and 365 days per year.

The Kissito Hotline

1-888-650-9928

EQUAL EMPLOYMENT OPPORTUNITY

Kissito Healthcare is an equal opportunity employer. Kissito Healthcare provides equal employment opportunity (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, national origin, age, disability unrelated to an employee's ability to perform the essential functions of a job, marital status, veteran's status, pregnancy, childbirth or medical condition in conformity with federal and state law, and any other characteristics protected by applicable federal, state, or local law. Kissito Healthcare complies with applicable federal, state and local laws governing non-discrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

Kissito Healthcare expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, national origin, age, disability unrelated to an employee's ability to perform the essential functions of a job, marital status, veteran's status, pregnancy, childbirth or medical condition in conformity with federal and state law, and any other characteristics protected by applicable federal, state, or local law. Improper interference with the ability of Kissito Healthcare's employees to perform their expected job duties is absolutely not tolerated.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor, the facility Director of Nursing, Chief Administrative Officer (Administrator), or the Corporate Director of Human Resources by calling the Kissito Hot Line at 1-888-650-9928.

DIVERSITY POLICY

Diversity transcends race and gender and is different from Equal Employment Opportunity. Kissito Healthcare requires all employees to respect and value differences of one another, regardless of race, color, religion, sex, age, national origin, sexual orientation, marital status, veteran status, or disability.

Kissito Healthcare recognizes that the diversity of our workforce is a resource. Diversity is an advantage which, when used effectively, leads to better solutions. Managers and employees are expected to build teams that bring the diverse life experiences and points of view of our peers to bear on the challenges and problems that we face at work.

Kissito Healthcare expects all employees to be sensitive and responsive to the diversity of our residents and their families. Kissito Healthcare will actively promote programs to increase the staff's awareness of diversity issues within the Company; among the residents we care for, their family members, and the general community. When a perceived conflict with cultural or religious values or beliefs affect a staff member's ability to participate in any aspect of a resident's care, appropriate action will be taken to ensure that the resident's care or treatment will not be negatively affected and that the employee's request will be considered.

EMPLOYEE STATUS

Based on the conditions of employment, employees of Kissito Healthcare are categorized as follows:

- Introductory Employees
- Regular Full-Time Employees
- Regular Part-Time Employees
- Temporary Employees
- Per Diem and On-Call Employees

Introductory Employees

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Kissito Healthcare uses this period to evaluate employee capabilities, work habits and overall performance. Either the employee or Kissito Healthcare may end the employment relationship at-will at any time during or after the introductory period, with or without cause or advance notice. Employees within their first 90 days of employment are classified as introductory employees. All new and rehired employees work on an introductory basis for the first 90 calendar days of hire.

Employees who leave Kissito Healthcare prior to completing their 90-day introductory period will forfeit any accrued PTO (pursuant to state law). They may also be required to reimburse the company for uniform expense, the pre-employment drug test, the criminal background screening and/or other pre-employment expenses, depending on the events that lead to the separation of employment.

Upon satisfactory completion of the introductory period, employees enter the “Regular Full-Time Employee” or “Regular Part-Time Employee” category.

Regular Full-Time Employees

Regular Full-Time employees are those employees who are not in a temporary or introductory status and who are regularly scheduled to work a full-time schedule, 30 hours or more per week. Regular full-time employees are eligible for Kissito Healthcare’s benefit package, subject to the terms, conditions and limitations of each benefit program.

Regular Part-Time Employees

Regular Part-Time employees are those employees who are not in a temporary or introductory status and who are regularly scheduled to work a minimum of 20 hours per week but less than 30 hours per week. Part-time employees are eligible to participate in Kissito Healthcare's 401-K plan, subject to the terms, conditions and limitations of the official plan document.

Temporary Employees

Temporary employees are those who are hired as interim replacements, to temporarily supplement the workforce or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration, not to exceed 90 days. Employment beyond the initially stated period does not in any way imply a change in employment status. Temporary employees are not eligible for Kissito Healthcare's benefit package.

Per Diem & On-Call Employees

Per Diem and On-Call Employees are those who are hired to supplement the workforce or to assist in the completion of a specific project. Per Diem and On-Call Employees are not eligible for Kissito Healthcare's benefit package.

PAY PERIODS & PAYDAYS

Pay weeks are used to calculate total hours worked and overtime calculations as appropriate. When an employee works more than 40 hours during any pay week, he/she will be paid time and one-half his/her regular rate of pay for all hours worked in excess of 40 hours. (Regular rate of pay is the employee's base rate plus any applicable shift differential.) Hours worked does not include PTO, Bereavement or other forms of paid leave. A pay period is defined as the frequency with which paychecks are received. Pay day is the day of the week paychecks are normally

received. All employees are paid biweekly. Pay weeks, pay periods, and pay days vary between facilities. During orientation, each employee will be informed of his/her specific pay week, pay period, and pay day.

WAGE ATTACHMENTS AND GARNISHMENTS

Kissito Healthcare complies fully with all laws for the administration of garnishment orders, wage attachments, and tax levies. Employees will be notified by the Facility Administration Department of all garnishment orders, wage attachments and tax levies. The Facility Administration Department will provide the employee a copy of each withholding order. Every effort will be taken to keep wage attachment and garnishment information confidential. Kissito Healthcare is obligated to comply with all attachments, orders and levies as stated unless a written signed Authorization of Release or other written verification that the matter has been resolved is received from the issuing entity. Should you feel a wage attachment, garnishment order, or tax levy has been issued in error, contact the issuing entity to obtain written verification that the matter has been resolved.

OVERTIME

Overtime is a normal job requirement for every employee. The same rules for attendance and promptness apply as during normal shifts. When possible, advance notification of these mandatory assignments will be provided. Overtime assignments will be distributed as equitable as is practical to all employees qualified to perform the required duties. Hourly, non-exempt employees are paid time and one-half the regular rate of pay for all hours worked in excess of forty hours in one standard pay week. (Regular rate is your base rate plus any applicable shift differential.) Overtime pay is based on actual hours worked. Paid time off (PTO) and any other paid time away from work (Jury Duty, Bereavement

Leave, etc.) will not be considered hours worked for purposes of overtime calculations.

Failure to work overtime as requested or overtime work without prior supervisor authorization (including clocking in more than 7 minutes prior to the start of the shift and clocking out more than 7 minutes after the end of the shift) may result in disciplinary action, up to and including termination of employment.

WORK SCHEDULES

Kissito Healthcare establishes work schedules as required by workload and workflow, staffing needs, the efficient management of employees, and any applicable federal, state, or local law or bargaining agreement.

- Each employee's scheduled work hours will be determined by his or her department head. The department head, or the department head's designee, will inform employees of their daily schedule of hours of work, including any changes that are considered necessary or desirable by Kissito Healthcare.
- Department heads may schedule overtime or extra shifts as needed to meet business demands.
- Employees are not permitted to work overtime without the prior approval of their supervisor or department head. For the purposes of overtime compensation, only hours worked in excess of forty during a workweek will be counted.
- Employee attendance at lectures, meetings, and training programs will be considered hours of work, and therefore will be compensable time, if management requires and authorizes attendance.

SALARY ADMINISTRATION

Kissito Healthcare provides competitive wage rates within the healthcare industry. Market and salary survey information is collected periodically to ensure our competitive position within current market conditions. Performance evaluations and appropriate salary levels are based on the job description for each position. Job descriptions are reviewed periodically and revised as necessary to ensure that descriptions are current, and to ensure specifications are job related and necessary.

PERFORMANCE EVALUATIONS

Each Kissito Healthcare supervisor and manager is responsible for the timely and equitable assessment of the performance and contribution of his/her employees. The performance review has been established for this purpose. All employees will receive a performance review annually in accordance with Kissito Healthcare's annual company-wide performance evaluation policy. Out of cycle performance reviews may be conducted at Kissito Healthcare's discretion.

The performance appraisal provides a means for discussing, planning, and reviewing the performance of each employee. Regular performance appraisals:

- Help employees clearly define and understand their responsibilities, provide criteria by which their performance will be evaluated, and suggest ways in which they can improve performance.
- Identify employees with potential for advancement within Kissito Healthcare.
- Provide a fair basis for awarding compensation based on merit.

Pay increases are not guaranteed but are awarded at management's discretion based on assessment of job

performance, the Company's operating results, and economic feasibility.

DISABILITY ACCOMMODATION

Kissito Healthcare is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

Hiring procedures have been reviewed and provide persons with disabilities meaningful employment opportunities. Pre-employment inquiries are made only regarding an applicant's ability to perform the essential duties of the position.

Reasonable accommodation is available to all disabled employees, where their disability affects the performance of job functions. A reasonable accommodation may include any action which enables an individual with a disability to perform the essential functions of the position but which does not result in an undue hardship to the business or pose a direct threat to health and safety. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, organizational structure, position descriptions, lines of progression and seniority lists.

Kissito Healthcare is committed to not discriminating against any qualified employee or applicant because they are related to or associated with a person with a disability. Kissito Healthcare will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

Medical information on individual employees is treated confidentially. Kissito Healthcare will take reasonable precautions to protect such information from inappropriate disclosure. Supervisors and other employees have a responsibility to respect and maintain the confidentiality of employee information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Facility Administration Department. Reasonable Accommodation Request Forms are available for your convenience. Kissito Healthcare encourages individuals with disabilities to come forward and request reasonable accommodation.

Procedure for Requesting an Accommodation

On receipt of an accommodation request, a member of the Facility Administration Department and your supervisor will meet with you to discuss and identify the precise limitations resulting from the disability and the potential accommodation that Kissito Healthcare might make to help overcome those limitations.

Kissito Healthcare will determine the feasibility of the requested accommodation considering various factors, including, but not limited to, the nature and cost of the accommodation, the availability of tax credits and deductions, outside funding, Kissito Healthcare's overall financial resources and organization, and the accommodation's impact on the operation of the Company, including its impact on the ability of other employees to perform their duties and on Kissito Healthcare's ability to conduct business.

Kissito Healthcare will inform the employee of its decision on the accommodation request or on how to make the

accommodation. If the accommodation request is denied, employees will be advised of their right to appeal the decision by submitting a written statement to the Corporate Director of Human Resources explaining the reasons for the request. If the request on appeal is denied, that decision is final.

The ADA does not require Kissito Healthcare to make the best possible accommodation, to reallocate essential job functions, or to provide personal use items (i.e., eyeglasses, hearing aids, wheelchairs etc.).

This policy is neither exhaustive nor exclusive. Kissito Healthcare is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with ADA and all other applicable federal, state, and local laws.

If you feel you have been unlawfully discriminated against, immediately inform the Director of Nursing, Chief Administrative Officer (Administrator) or the Corporate Director of Human Resources by calling the Kissito Hot Line at 1-888-650-9928. You can be assured that your complaint will be thoroughly investigated. All such inquiries or complaints will be treated as confidential to the extent permissible by law.

IMMIGRATION LAW COMPLIANCE

Kissito Healthcare is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and

employment eligibility within 3 business days of hire. Former employees who are rehired must also complete the form if they have not completed an I-9 with the Company within the past three years, or if their previous I-9 is no longer retained or valid within 3 business days of hire.

Employees may raise questions or complaints about immigration law compliance without fear of reprisal. Employees with questions or seeking more information on immigration law issues are encouraged to contact their immediate supervisor, the Chief Administrative Officer (Administrator), or the Corporate Director of Human Resources.

CRIMINAL BACKGROUND CHECKS

Kissito Healthcare reserves the right to require a criminal check for employees upon hire once a conditional offer of employment has been extended by the hiring manager. Although a disqualification is possible, in accordance with federal and state laws, a previous conviction does not automatically disqualify an applicant from consideration for employment with Kissito Healthcare. Depending on a variety of factors, including but not limited to, the nature of the position; the nature of the conviction; age of the candidate when the illegal activity occurred; the candidate may still be eligible for employment with Kissito Healthcare. Applicants, who attempt to withhold information or falsify information pertaining to previous convictions, will be disqualified from further employment consideration in any position with the company due to falsification of an application. An offer of employment may be extended to an applicant prior to the completion of the criminal conviction check. However, employment is subject to the applicant's satisfactory completion of the criminal background check within guidelines prescribed by applicable federal and state law.

COLLECTIVE BARGAINING

Kissito Healthcare believes that a mutually beneficial employment relationship is best achieved through direct communication between management and its employees without intervention of a third party. Kissito Healthcare promotes and supports a positive working environment where employees can grow and develop professionally, enjoy competitive wage and benefit programs and where individual differences are valued.

Each supervisor and manager has the responsibility of creating a working environment that promotes open communication, solicits and responds fairly and quickly to employee concerns, bolsters employee morale and enhances employee loyalty and productivity. Kissito Healthcare believes that by ensuring a working environment based upon these principles, employees will not need to seek collective bargaining representation.

In situations where collective bargaining agreements exist, there will be no discrimination, interference or coercion by Kissito Healthcare or any of its agents against any bargaining unit employee because of any lawful activities on behalf of the bargaining unit; or because of membership in the bargaining unit. Additionally, the bargaining unit, its member and agents, shall not coerce employees into membership in the bargaining unit in any unlawful manner.

VISITORS IN THE WORKPLACE

In order to provide for the safety and security of our residents and employees, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of residents and equipment, protects confidential information, safeguards employee welfare and avoids potential distractions and disturbances.

For these reasons, Kissito Healthcare discourages family and friends of employees from visiting. In cases of emergency, employees will be called to meet any visitors outside their work area. Employees are expected to inform friends and family members of this policy and respectfully request that visits be limited to emergency situations. Terminated employees are prohibited from returning to facility premises without a pre-arranged appointment scheduled with the Chief Administrative Officer (Administrator). Should you observe any unauthorized visitor on Kissito Healthcare premises, immediately notify your supervisor or, if necessary, direct the individual to the reception area.

SOLICITATION

In an effort to assure a productive and harmonious work environment, persons not employed by Kissito Healthcare may not solicit or distribute literature in the workplace or on Company premises at any time for any purpose without the approval of the Chief Administrative Officer (Administrator) and Home Office. Solicitation and distribution is prohibited at all times in immediate resident care areas. Solicitation of residents, visitors or family members is prohibited unless it is a Kissito Healthcare sponsored, Chief Administrative Officer (Administrator), and Home Office approved activity or event.

Kissito Healthcare recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time. Working time is the time an employee is expected to be performing his/her job duties and does not include break periods, meal periods, or other periods in which the employee is not on duty. Employees, who have a message of interest to the workplace, may submit it to the Chief Administrative Officer (Administrator) for approval. All approved messages will be posted by the Chief Administrative Officer (Administrator).

BULLETIN BOARDS

Bulletin boards maintained by Kissito Healthcare are utilized to keep employees informed of Company related business and announcements. All posted material must have authorization from the Chief Administrative Officer (Administrator). Employees are expected to check bulletin boards periodically for new and/or updated information and to follow the regulations set forth in all posted notices. Employees are not to remove material from the bulletin boards. In addition, any posting or written solicitation on Kissito Healthcare bulletin boards requires prior approval by the Chief Administrative Officer (Administrator).

HIRING OF RELATIVES

Relatives of persons currently employed by Kissito Healthcare may not be hired to work directly for, or to supervise a relative. If a relative relationship (as stated above) is established after employment, the individuals concerned will decide who is to be transferred. The decision must be made within 30 calendar days. In other cases where a conflict or the potential for conflict arises, regardless of whether a supervisory relationship is involved, the parties may be separated by reassignment or terminated from employment. For the purpose of this policy, a relative is defined as 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 RELATIONSHIPS

Kissito Healthcare strongly discourages consenting “romantic” or sexual relationships between a supervisor/manager and an employee; and any conduct that is designed or may reasonably be expected to lead to the formation of a “romantic” or sexual relationship.

By its discouragement of romantic and sexual relationships, Kissito Healthcare does not intend to inhibit the social interactions that are and should be an important part or extension of the working environment. If a romantic or sexual relationship between supervisor/manager and an employee should develop, it shall be the responsibility and mandatory obligation of the supervisor/manager to promptly disclose the existence of the relationship to the Chief Operating Officer. The employee may make the disclosure, but the burden of doing so shall be upon the supervisor/manager.

The Chief Operating Officer shall inform others with a need-to-know of the existence of the relationship, including in all cases the individual responsible for the employee's work assignments. Upon learning of the existence of such a relationship, Kissito Healthcare may take all steps that it, in its discretion, deems appropriate. At a minimum, the employee and supervisor/manager will not thereafter be permitted to work together on the same matters; and the supervisor/manager must withdraw from participation in all activities or decisions that may reward or disadvantage any employee with whom the supervisor/manager has or has had such a relationship.

Any person who believes that he or she has been adversely affected by such a relationship, notwithstanding its disclosure, is encouraged to make his or her views about the matter known to the Chief Administrative Officer (Administrator) or the Chief Operating Officer. This policy shall apply without regard to gender and without regard to sexual orientation of the participants in a relationship of the type described.

OUTSIDE EMPLOYMENT

Employees are permitted to engage in outside work or hold other jobs, subject to certain restrictions as outlined below.

(1) Activities and conduct away from the job must not compete, conflict with or compromise the company interests or adversely affect job performance and the ability to fulfill all responsibilities to Kissito Healthcare. Employees are prohibited from any unauthorized use of company tools or equipment and the unauthorized use or application of any confidential information. In addition, employees are not to solicit or conduct any outside business during paid working time.

(2) Employees are cautioned to consider carefully the demands that additional work activity will create before accepting outside employment. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel or refusal to work overtime or different hours. If outside work activity causes or contributes to job-related problems, it must be discontinued, and, if necessary, normal disciplinary procedures will be followed to deal with the specific problem.

(3) In evaluating outside work, department heads and Facility Administration will consider whether the proposed employment:

- May reduce the employee's efficiency in working for the company.
- Involves working for an organization that does a significant amount of business with the company, such as major contractors, suppliers and customers.
- May adversely affect the company's image.

(4) Employees who have accepted outside employment may not use paid time off or leave of absence when the absence is used to perform work on the outside job or is the result of an injury sustained on that job. Fraudulent use of paid time off or leave of absence will result in disciplinary action, up to and including termination of employment.

(5) Employees may not receive any income or material gain from individuals outside Kissito Healthcare for materials produced or services rendered while performing their jobs in their capacity as Kissito Healthcare employees.

INCLEMENT WEATHER

As healthcare providers, our facilities are open 24 hours a day, seven days a week, and 365 days a year. Our residents and their families count on us, regardless of the weather. Employees are expected to make a special effort to report to work regardless of weather conditions and to remain at work until the conclusion of his/her shift or until appropriate relief is available (whichever is later). In those unusual circumstances when this is not possible, the employee must notify his/her designated contact of the expected tardiness or absence as soon as is practicable. The facility will attempt to provide transportation to and from work. Employees who refuse the facility's offer of transportation to and from work will be charged with an unexcused absence and will not be allowed to use Paid Time Off for the time missed.

CORPORATE COMMUNICATIONS

Kissito Healthcare's Corporate Communications Policy pertains to all News Releases, Media Requests, and all other outside inquiries regarding the company, its residents, or its employees.

The Corporate Communications Policy pertains to all outside requests, including requests from police personnel, lawyers, and regulatory agencies. All inquiries, whether verbal or written, should be directed to the Facility Administration Department for response.

EMPLOYMENT REFERENCE CHECKS

Kissito Healthcare's policy is to respect individual privacy and to maintain in confidence all information and records pertaining to employees to the extent practicable in keeping with the Company's interest. Personnel files are the property of Kissito Healthcare and access to the information they contain is restricted.

Inquiries from outside organizations for information regarding current or former Kissito Healthcare employees should be directed to the Facility Administration Department. Only the Chief Administrative Officer (Administrator) or his/her delegated representative may release information on any current or former employee. Employment references for former employees will be limited to dates of employment and position held. Employment data on current employees will not be released without a Written Authorization and Release signed by the individual who is the subject of the inquiry.

It is the Company's policy to cooperate fully with federal, state, or local agencies and courts performing investigatory functions. Personal information will be provided to governmental investigators only where they are entitled by law to such information and/or by court subpoena.

ACCESS TO PERSONNEL FILES

Kissito Healthcare maintains a personnel file for each employee. The personnel file contains such information as the employee's job application, resume, training records, documentation of performance appraisals and salary increases, disciplinary documentation and other employment records.

Personnel files are the property of Kissito Healthcare and access to the information they contain is restricted. Generally, only supervisors and management personnel of

Kissito Healthcare who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the Chief Administrative Officer (Administrator). Upon request, employees may review their own personnel file in the facility in the presence of an individual appointed by Kissito Healthcare. The review will be scheduled as soon as is practicable to do so but not later than three business days following the request.

DISPUTE RESOLUTION PROCESS

Kissito Healthcare is committed to providing the best possible working conditions for its employees. Part of this commitment is encouraging an open atmosphere in which any problem, complaint, suggestion or question receives a timely response from Kissito Healthcare supervisors and management. Kissito Healthcare strives to ensure fair and honest treatment of all employees, supervisors and management staff. Employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices they can express their concerns through the Dispute Resolution Process. No employee will be penalized, formally or informally, for voicing a complaint with Kissito Healthcare in a reasonable, business-like manner or for using the Dispute Resolution Process.

If a situation occurs where an employee believes that a condition of employment or a decision affecting them is unjust or inequitable, he/she is encouraged to make use of the following steps. The employee may discontinue the process at any step.

This process first allows employees to address concerns with their immediate supervisor and then through a problem solving process. Employees may bring their issues or concerns through three levels of review. Employees who are interested in using this process must initiate it within 10 calendar days of the issue or event that they would like to problem solve.

The Dispute Resolution Process

1. We encourage you to discuss any concerns with your immediate supervisor first. This should happen within 10 calendar days of the issue or event. In rare instances, employees may bypass their immediate supervisor and request a meeting with the Chief Administrative Officer (Administrator).
2. The immediate supervisor will respond to the problem during the discussion with the employee or within five (5) working days after consulting with appropriate management personnel, if necessary.
3. If a satisfactory resolution is not achieved after talking to your immediate supervisor, you may present your problem to the Chief Administrative Officer (Administrator). Employees, who wish to submit their problem to the Chief Administrative Officer (Administrator), should do so within 10 working days of receipt of the immediate supervisor's response.
4. The Chief Administrative Officer (Administrator) will counsel the employee and propose a resolution to the problem. If a satisfactory response is not achieved, the Chief Administrative Officer (Administrator) will direct the employee to the Corporate Director of Human Resources. Employees, who wish to submit their problem to the Corporate Director of Human Resources, should do so within 10 working days of

receipt of the Chief Administrative Officer's (Administrator's) response.

5. The Corporate Director of Human Resources will review the problem and inform the employee of the decision within 15 working days. The Corporate Director of Human Resources will forward a written response to the Chief Administrative Officer (Administrator) to be filed.

Not every problem can be resolved to everyone's total satisfaction, but through mutual understanding and discussion of problems, employees and management develop confidence in each other. This confidence is important to the efficient and harmonious operation of our facilities and helps to ensure the best possible care for our residents.

OPEN DOOR POLICY

Kissito Healthcare promotes an atmosphere whereby employees can talk freely with members of the management staff. Employees are encouraged to openly discuss employment-related problems or issues with their immediate supervisor. In the event a problem or concern cannot be resolved between the employee and the supervisor, the employee is encouraged to discuss the matter with the next level of supervision starting with the Chief Administrative Officer (Administrator), and ultimately the Corporate Director of Human Resources at the Home Office. Kissito Healthcare is interested in each employee's success and is committed to fostering sound employee-employer relations through open communication. Should you have employment-related concerns, we are available for consultation and guidance. If issues arise, please request a meeting with a member of our management staff.

PERSONAL ETHICS/CONFLICTS OF INTEREST

Inspiring confidence requires that all employees uphold a high standard of integrity and professional conduct that reflects positively on your association with Kissito Healthcare. Employees are expected to demonstrate courtesy, respect, honesty, fairness and decency in all relationships with residents, family members, the general public and fellow employees.

Employees have an obligation to conduct business within guidelines that prevent actual or potential conflicts of interest. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of Kissito Healthcare's business transactions. For the purpose of this policy, a relative is defined as 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.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts or leases, it is imperative that they disclose such to the Chief Administrative Officer (Administrator) so that safeguards can be established to protect all parties from any actual or potential conflict of interest.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which Kissito Healthcare does business, but also when an employee or relative receives money, gifts or other forms of special consideration as a result of any transaction or business dealing involving Kissito Healthcare. Therefore, employees of Kissito Healthcare may not accept gifts valued at more than \$10. Employees with questions regarding gifts from family members should consult the Chief Administrative Officer (Administrator). Employees who receive a gift from a

family member are required to disclose the reason and value of the gift to their immediate supervisor or the Chief Administrative Officer (Administrator) within 2 business days of receipt.

It is the employee's responsibility to fully understand the personal ethics/conflict of interest policy and to comply. Failure to comply will be considered a serious misconduct and will lead to disciplinary action, up to and including termination of employment. Employees are further advised that circumstances may dictate that Kissito Healthcare report documented facts to outside agencies. Should you have any questions regarding personal ethics and conflicts of interest, contact the Chief Administrative Officer (Administrator).

EMPLOYEE CODE OF CONDUCT

The employee code of conduct helps to protect the rights and safety of all employees and residents at Kissito Healthcare. Violations of any of the following acts will constitute cause for disciplinary action, up to and including immediate termination.

1. Stealing or willfully destroying or damaging any property of the facility, its residents, visitors or personnel.
2. Disobedience or insubordination to supervisors.
3. Disorderly, immoral or indecent conduct.
4. Reporting for, or attempting to work while under the influence of alcohol, drugs or narcotics; or in a physical condition making it unsafe or unsatisfactory to continue employment.
5. Punching another employee's timecard or requesting another person to punch your timecard.
6. Discussing personal problems with residents.
7. Disclosing information of a personal nature concerning a resident at any time – either inside the

- facility or outside – unless the specific work duties requires giving or exchanging such information.
8. Failing to exercise proper custodial responsibility of facility keys assigned to your care.
 9. Permitting another person to use keys to enter facility property without proper authorization.
 10. Unauthorized possession of firearms or other weapons on facility property.
 11. Willful or careless disregard for, or inattention to, working directions and instructions; or refusal to comply with or violation of company, fire and safety, or sanitary rules and regulations.
 12. Absence from work without a physician's permit and/or authorization from supervisor.
 13. Punching in more than seven minutes before your scheduled start time or punching out more than seven minutes after the end of your scheduled shift.
 14. Failing to obtain advance approval to start work before or to continue work after your scheduled work hours.
 15. Failing to obtain supervisor's permission to leave your job or facility premises during scheduled work hours.
 16. Smoking in unauthorized areas.
 17. Consuming food or beverage at unauthorized times or in unauthorized areas.
 18. Selling tickets, chances, pools or raffles.
 19. Unauthorized posting of notices or literature on facility premises.
 20. Soliciting, collecting funds, and/or circulating literature on facility property during work hours without the approval of the Chief Administrative Officer (Administrator).
 21. Performing personal work on facility time without the express permission of the Chief Administrative Officer (Administrator).
 22. Using facility business phones for personal matters. Making or receiving personal phone calls during work hours.

23. Taking more than the specified time for meals or rest periods. Failing to get authorization from supervisor or charge nurse for meals or rest periods.
24. Unauthorized attendance or participation in meetings or gatherings during work hours.
25. Discourteous conduct toward any resident, visitor, physician or employee.
26. Inefficiency, inability, and/or gross or repeated negligence in the performance of assigned duties.
27. Altering, falsifying or making a willful misstatement of facts on any resident record or chart, job or work record, employment application or any other medical record or chart.
28. Misrepresenting reasons when applying for a leave of absence or for other time off from work.
29. Failing to return to work from an authorized leave of absence.
30. Failing to withdraw from, or report outside activities or interests which conflict with, detract from or adversely affect the interest of the facility.
31. Leaving duty stations without authorization from supervisor.
32. Being in unauthorized areas without authorization from supervisor.
33. Having visitors while on duty without authorization from supervisor.
34. Violating residents' rights.
35. Arguing and/or fighting.
36. Making threats of any nature.
37. Sleeping while on duty.
38. Watching television while on duty.
39. Failing to wear uniforms (if required) and/or failing to wear identification badges.
40. Failing to attend staff meetings without approval from supervisor.
41. Leaving duty stations without proper relief or authorization.

42. Unauthorized use of company supplies, equipment or vehicles.

CORPORATE COMPLIANCE PROGRAM

The laws governing the conduct of health care providers are constantly evolving and have become increasingly complex. To facilitate the provision of quality health care in compliance with those laws, Kissito Healthcare has developed a compliance program. Kissito is committed to conducting all of its business activities in compliance with ethical standards and all applicable laws, rules, and regulations. Employees must recognize their duty to act in accordance with this essential directive.

Corporate Compliance is different than general employment concerns. Questions or concerns regarding individual employment, human resources policies and procedures should be addressed to the Corporate Director of Human Resources using the Dispute Resolution Process (see pages 24-26). Corporate Compliance is centered around the provision of quality health care in compliance with local, state, and federal laws and regulations. All questions or concerns regarding the application of the Corporate Compliance Program should be directed to supervisors. If an employee's immediate supervisor cannot or does not answer the questions or resolve the concerns, the employee should address the issue with Kissito's Compliance Officer. Any action taken by an employee in violation of the Corporate Compliance Program will subject the employee to sanctions including, but not limited to, termination of employment.

A drop box and Hotline have been established to provide a confidential method for raising concerns about violations or suspected violations of the compliance program. The drop box is located in each Employee Dining Room. The Kissito Hotline is 888-650-9928. Employees are encouraged to

report all violations, suspected violations, questionable conduct, or questionable practices by reporting to the employee's immediate supervisor or by:

1. Filing a report through the drop box, send a report to Corporate or the Kissito Hotline.
2. Reporting to the Compliance Officer.
3. Reporting to the Chief Administrative Officer/Administrator.

The caller or author may report all information anonymously, and Kissito will attempt to preserve the confidentiality of the matter and anonymity of the author or caller to the fullest extent permitted by law. However, confidentiality and anonymity cannot be guaranteed in all situations.

CONFIDENTIALITY POLICY

During the course of your employment, it can be expected that you will be exposed to sensitive information. All sensitive information must be regarded as confidential.

- Kissito Healthcare believes that each resident deserves the highest quality of care. Each resident is assured confidential treatment of his/her personal and medical records, privacy in treatment, and in the care of his/her records.
- Disclosing confidential information concerning employees, residents, or the facility is prohibited. Employees are not permitted to discuss a resident's medical record, personal or financial status with other residents, visitors or other unauthorized personnel.
- All information concerning medications, medical examinations, and drug/alcohol test results of an individual employee will be treated as confidential information.

- The protection of confidential business information is vital to the interests and success of Kissito Healthcare.
 - a. Employees who are exposed to confidential information may be required to sign a non-disclosure agreement as a condition of employment.
 - b. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment and legal action.
 - c. Disclosure of non-public information relating to publicly held corporations controlled by Kissito Healthcare is subject to internal disciplinary action, and is also subject to enforcement actions against Kissito Healthcare and the disclosing employee by the United States Securities and Exchange Commission.

NON-DISCLoure POLICY

The protection of confidential resident and business information is vital to the interests and success of Kissito Healthcare. Questions from residents or residents' families on confidential matters must be directed to your immediate supervisor. Confidential information includes, but is not limited to:

- Information regulated by HIPAA
- Resident information
- Doctor's orders
- Nursing care
- Resident's financial information
- Kissito Healthcare's financial information
- Kissito Healthcare's marketing strategies
- Kissito Healthcare's pending projects and proposals

All inquiries regarding employee information or reference checks should be directed to the Facility Administration Department for response. Kissito Healthcare recognizes that employee's have the right to provide outside sources (such as Unions) with their own name, address, telephone number and other personal information.

Employees who are exposed to confidential information may be required to sign a Non-Disclosure Agreement as a condition of employment. Employees who improperly use or disclose trade secrets or other confidential information will be subject to disciplinary action, up to and including termination of employment. Additionally, employees who improperly use or disclose trade secrets or other confidential information may be subject to legal action.

REPORTING RESIDENT ABUSE, NEGLECT OR MISTREATMENT

Kissito Healthcare residents will be free from verbal, sexual, physical and mental abuse, corporal punishment and involuntary seclusion. It is the responsibility of every employee to report any observed or suspected resident abuse.

Kissito Healthcare employees who violate the resident's right to be free from abuse are subject to disciplinary action, up to and including termination of employment. An employee who becomes aware of a situation involving possible abuse, neglect or mistreatment of a resident shall immediately report the information to his/her immediate supervisor and the Chief Administrative Officer (Administrator). The Chief Administrative Officer (Administrator) and/or Director of Nursing will be responsible to promptly initiate an investigation into all cases of alleged or suspected abuse. If the Chief Administrative Officer (Administrator) and Director of Nursing are unavailable, notification should be made immediately to the Chief Operating Officer. If the Chief

Operating Officer is unavailable, notification should be made to the Chief Nursing Officer. If the Chief Nursing Officer is unavailable, notification should be made to the Chief Executive Officer at the Home Office.

RESIDENT AND EMPLOYEE LANGUAGE

Kissito Healthcare affirms the rights of its residents and employees at all times, including the right to be free from discrimination and harassment. Kissito Healthcare respects the rights of employees to speak their primary language and balances that right with Kissito Healthcare's mission to treat our residents with dignity and respect. Kissito Healthcare expects that employees will respect residents' social status, speak respectfully to residents, listen attentively when the resident speaks and address each resident by a name of the resident's choice.

Communicating with residents in a language they understand promotes care for residents in a manner and in an environment that maintains and enhances the resident's dignity and respect. Therefore, when employees are engaged in direct communication with, or are providing care to, a resident, employees are expected, insofar as in practicable, to speak in a language that the resident understands. **There should never be any conversations of a social nature between employees while employees are providing direct care to residents.**

Kissito Healthcare recognizes that each resident has the right to be fully informed about his/her health status and medical conditions as well as his/her rights and rules and regulations governing resident conduct and responsibilities. Therefore, when such information is provided to the resident, whether orally or in writing, it must be communicated in a language the resident understands. If language or communication barriers exist between employees and residents in these circumstances, arrangements shall be

made for interpreters or other approaches to ensure adequate communication.

At the same time, Kissito Healthcare encourages good communication among all employees and recognizes the employee's right to converse in a language of their choice except when engaged in direct communication with, or providing care to, residents who do not communicate in this language. English is to be spoken in all resident care areas.

EMPLOYEE HEALTH REQUIREMENTS

Federal regulations require, as a condition of employment, that employees are free from communicable diseases and are physically and emotionally capable of performing the essential functions of their job with or without reasonable accommodation.

Employees are required to notify their supervisor immediately of any change in their health that might affect their work. Examples include but are not limited to: medications, fever blisters, rashes, excessive sneezing or coughing, temporary disabilities such as sprains, infections, illness or pregnancy. Employees exhibiting any of these, or other symptoms, may continue to work as long as co-workers and our residents are medically safe and as long as working poses no danger to the employee.

Employees with infections or contagious diseases that may present a danger to co-workers or our residents will not be allowed to work until the condition is no longer infectious or contagious. If an employee's job duties can be temporarily modified without posing risk or placing undue hardship on co-workers or residents and without compromising the efficient operations of the Company, Kissito Healthcare will accommodate the request.

LICENSURE, CERTIFICATION & REGISTRATION

The government licenses many professions. It is an important federal and state protection for people in the profession and for people receiving those professional services. It ensures that you meet the government regulations and Kissito Healthcare employment standards necessary to perform your job. In addition, our residents and their families know that our licensed employees are qualified to provide the care patients need. Licensing also ensures that your coworkers know you will be a valuable member of the team.

To qualify for positions requiring licensure or certification, employees must acquire and maintain such licensure and/or certification as dictated by state regulations. Upon hire, the current original license and/or certification must be presented. In some situations, evidence of enrollment in accredited programs will suffice until such time as the license or certification is obtained.

Employees whose license or certification status is no longer in good standing are responsible for notifying their immediate supervisor within 24 hours. Employees must provide annual proof of licensing renewal or certification renewal to their immediate supervisor. An employee who is unable to renew his/her license or certification in a timely manner is responsible for notifying their immediate supervisor.

It is your responsibility to make sure your license or certification is current. If you are required to be licensed or certified by the agency governing your profession, it is your responsibility to maintain and renew your license. Contact your licensing board if you have any questions regarding renewal.

PAYROLL & TIMECARD PROCEDURES

Kissito Healthcare complies with all federal and state laws pertaining to the payment of wages and hours worked.

Employees are expected to familiarize themselves with and adhere to the following payroll and timecard procedures:

- All hours are paid on a quarter-hour system.
- Employees have a **7-minute grace period**. Employees may not clock/sign in more than 7 minutes before their scheduled shift, nor clock/sign out more than 7 minutes after the end of their shift without **PRIOR** supervisory approval. All unscheduled and unauthorized hours worked will be paid, but employees who fail to obtain prior authorization will be subject to disciplinary action.
- All hourly, non-exempt employees are required to punch/sign in and out at the beginning and end of each work shift and at the beginning and end of each meal period. Employees must show a **full 30-minute meal period**.
- In the event an employee does not punch/sign his/her time card, it must be signed the same day as the missed registration by your immediate supervisor, the Chief Administrative Officer (Administrator), or Department Head who is aware of your start/finish time.
- Time not shown on timecards/timesheets cannot be paid.
- All overtime must be **pre-authorized** by your immediate supervisor, Chief Administrative Officer (Administrator) or Department Head.
- All benefits (Bereavement Pay, Jury Duty Pay, PTO, etc.) must be requested using the Benefit Request Form. Employees, who wish to receive payment for PTO, Bereavement, Jury Duty, etc. must complete a Benefit Request Form and return it to the payroll office no later than the last day of the pay period.

Benefit Request Forms may be obtained from the Facility Administration Department and must be authorized by the employee's immediate supervisor or the Chief Administrative Officer (Administrator).

- Supervisors must review and initial each timecard/timesheet prior to submitting it for payroll processing. Hourly non-exempt employees who are scheduled for a meal break must take thirty (30) consecutive uninterrupted minutes away from their workstation and work duties.
- Punching/signing another employee's timecard/timesheet **may result in immediate termination**. If you discover that someone else has punched/signed your timecard/timesheet in error or that you have accidentally punched/signed someone else's timecard/timesheet, you must notify your supervisor immediately.
- Employees should report all changes in name, address, telephone number, or tax information to the payroll office as soon as possible.
- Kissito Healthcare takes all reasonable steps to ensure employees receive the correct amount of pay on each paycheck. In the unlikely event that an error occurs, the employee should promptly bring the discrepancy to the attention of his/her immediate supervisor or the Chief Administrative Officer (Administrator) so that corrections can be made as quickly as possible.
- In accordance with the "Safe Harbor" provision, exempt employees who feel their salary has been improperly deducted should immediately contact the Corporate Director of Human Resources at the Home Office.
- In the unlikely event that an overpayment of wages or salary occurs, the overpayment of wages will be deducted immediately upon discovery.

CHANGES IN PERSONNEL INFORMATION

Employees are responsible to promptly notify Kissito Healthcare of any changes in personnel data. Personal mailing address, telephone numbers, individuals to be contacted in the event of an emergency, educational accomplishments, certification or licensing updates, and name changes should be current at all times. Employees should notify the Facility Administration Department immediately of any changes in personnel data.

DRESS CODE & PERSONAL APPEARANCE

Kissito Healthcare requires employees to always appear for work in attire that is professional and suitable for the work environment. Work attire should complement an environment that reflects an efficient, orderly, and professionally operated organization. Because it is impossible to fully define every aspect of appropriate vs inappropriate appearance, Management reserves the right to use discretionary judgment when determining what is and what is not acceptable employee appearance in the workplace.

If questionable attire is worn, the respective manager, CAO, or the Corporate Director of Human Resources will hold a personal, private discussion with the employee to advise and counsel the employee regarding the inappropriateness of the attire. If obvious policy violation occurs, the respective manager, CAO, or the Corporate Director of Human Resources will hold a private discussion with the employee and ask the employee to go home and change his/her attire immediately. Time lost from work due to any such situations will be charged against the employees PTO accrual. If the employee does not have PTO accrued, the time lost from work will be unpaid.

The “Informal Business Attire” policy will be enforced using progressive discipline. The first violation will result in a

documented “verbal counseling” placed in the employee personnel file. Repeat violations will result in disciplinary action up to and including termination of employment. Employees who are not able to fully comply with this policy due to religious beliefs or disability should contact the Chief Administrative Officer or the Corporate Director of Human Resources to request reasonable accommodation.

Section #1: DRESS CODE FOR MANAGEMENT, ADMINISTRATIVE, HOME OFFICE STAFF

Applicable To: Home Office Staff, Management Staff, Facility Administrative Staff. (Optional for Therapy Staff)

Acceptable Attire For Females: Business Dress, Skirts, Jackets, Dress Slacks, Blouses, Sweaters, Turtlenecks, Polo shirts, Suits with skirts or pants, Dress shoes, Loafers, Dressy open-toe heels, Nylons/footwear, Mid-calf (not upper) dress capris if paired with dressy top and dressy shoe; Cotton twill dockers if pressed and free of wrinkles. Name tags are required at all times. (Nylons should be worn with shorter skirts and dresses. Longer skirts and dresses may be worn without nylons.)

Unacceptable Attire For Females: No blue jeans or denim of any color whether jeans, slacks, jackets, suits, dresses, etc. No fabric similar to the appearance of denim in any color whether jeans, slacks, jackets, suits, dresses, etc. No casual capris, upper-calf capris, pedal pushers, overalls, or skorts. No spaghetti straps, camisoles, tank tops, or tee-shirts unless worn under another blouse, sweater or jacket. No sweater dresses, tee-shirt dresses, or jersey dresses. No athletic shoes, sandals, flip-flops or clogs. No visible body piercing, except ears. Attire must be clean, neat, and properly fitted.

Acceptable Attire For Males: Business suit; Sport coat or blazer; Dress Slacks; Cotton twill dockers if pressed and free

of wrinkles; Polo shirts with collars; Oxford button-down shirts; Turtlenecks; Long-sleeve or short-sleeve dress shirts; Dress shirts with banded collar; Sweaters, cardigans, and vests; Ties (Optional); Dress shoes, wing-tips, loafers; Colored dress socks are required. Identification badges are required at all times.

Unacceptable Attire For Males: No blue jeans or denim of any color whether jeans, slacks or jackets. No fabric similar to the appearance of denim in any color whether jeans, slacks or jackets. No athletic shoes, sandals or flip-flops. No V-neck sweaters with t-shirts underneath. V-neck sweaters are acceptable when paired with a button down shirt or turtleneck underneath. No white tube-socks or footwear without socks. No visible body piercing, except ears. Attire must be clean, neat, and properly fitted.

SECTION #2: DRESS CODE FOR DIETARY, HOUSEKEEPING & LAUNDRY STAFF

Acceptable Attire: White or printed scrub top, White or printed scrub pant, Uniforms, Polo shirt with a collar, Oxford button down shirts, Black or khaki pants. Leather sneakers, no open-toed shoes. Identification badges are required at all times. Hairnet or other acceptable hair restraint (dietary only).

Unacceptable Attire: No blue jeans or denim of any color whether jeans, slacks, shirts, jackets, etc. No fabric similar to the appearance of denim in any color whether jeans, slacks, shirts, jackets, etc. No visible body piercing, except ears. Attire must be clean, neat, and properly fitted.

SECTION 3: DRESS CODE FOR MAINTENANCE PERSONNEL

Acceptable Attire: Polo shirt with a collar, Black or khaki pants, Uniforms. Leather sneakers, no open-toed shoes. Identification badges are required at all times.

Unacceptable Attire: No blue jeans or denim of any color whether jeans, slacks, shirts, jackets, etc. No fabric similar to the appearance of denim in any color whether jeans, slacks, shirts, jackets, etc. No visible body piercing, except ears. Attire must be clean, neat, and properly fitted.

SECTION 4: DRESS CODE FOR CLINICAL STAFF

Acceptable Attire: White or printed scrub top, White or printed scrub pant, Uniform shoes/clogs. Leather sneakers, no open-toed shoes. Identification badges are required at all times.

Unacceptable Attire: No blue jeans or denim of any color whether jeans, slacks, shirts, jackets, etc. No fabric similar to the appearance of denim in any color whether jeans, slacks, shirts, jackets, etc. No visible body piercing, except ears. Any top or pant other than scrubs. Attire must be clean, neat, and properly fitted.

SECTION 5: DRESS CODE FOR THERAPY STAFF

Acceptable Attire: White or printed scrub top, White or printed scrub pant. Leather sneakers, no open-toed shoes. Identification badges required at all times. Informal Business Attire as stated in Section #1 (Optional)

Unacceptable Attire: No blue jeans or denim of any color whether jeans, slacks, shirts, jackets, etc. No fabric similar to the appearance of denim in any color whether jeans, slacks, shirts, jackets, etc. No visible body piercing, except ears. Attire must be clean, neat, and properly fitted.

IDENTIFICATION BADGES

Kissito Healthcare utilizes identification badges to facilitate security screening and enable our residents and the public to identify Kissito Healthcare employees. Every employee is required to wear an identification badge at all times while on Company property. Each employee will be provided an identification badge on the first day of employment.

Employees must notify their supervisor immediately if you lose or misplace your identification badge. A replacement fee of \$5.00 may be charged for lost or misplaced identification badges. If employment is terminated (whether voluntarily or involuntarily), employees are required to turn-in their identification badge to their supervisor.

ATTENDANCE & PUNCTUALITY

To maintain a productive work environment, Kissito Healthcare expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness result in a burden on other employees and on the Company's overall operations.

Employees are expected to work all scheduled days during all scheduled work hours. Employees are expected to report to work on time. All employees **MUST** notify his/her designated contact as far in advance as possible, but not later than two (2) hours before his/her start time if he/she expects to be absent or tardy, unless such notice is not practicable. (Four hours advance notification is appreciated.) Employees **MUST** call in for each day of absence. Employees **MUST** speak directly to his/her designated contact when calling in to report absence or tardiness. During the orientation process, each employee will be provided specific contact names and call-in procedures to report absence or tardiness. Failure to utilize designated procedures may be considered as No-Call / No-Show and could result in termination.

Kissito Healthcare uses an occurrence system to record employee absences, early departures and late arrivals. An occurrence is defined as any day or consecutively scheduled days that an employee is absent. Any absence which can not be scheduled in advance will be considered unexcused. (Exception: Absence with a physician's note and absence to attend a funeral with a funeral bulletin or memorial card will be considered excused.)

Failure to comply with Kissito Healthcare's attendance policy will result in progressive disciplinary action.

- The second and all subsequent unexcused absences in a rolling 30-day period will result in progressive disciplinary action.
- The third and all subsequent unexcused tardiness/leave early (> 7 minutes) will result in progressive disciplinary action.
- No Call No Show – The first occurrence will result in suspension without pay. If greater than 3 days, the first occurrence will result in termination. A second no call no show will result in termination.
- Weekend Makeup Rule – Any unexcused absence on a weekend requires the employee to makeup that day/shift on the next unscheduled weekend.
- Unexcused absence on a Holiday will result in disciplinary action in addition to loss of holiday pay.

CALL-IN PROCEDURES

Kissito Healthcare relies heavily upon its employees to meet our standards of resident care. Employees are expected to work all scheduled hours during all scheduled shifts. Kissito Healthcare realizes that from time-to-time unexpected situations and emergencies arise which prevent employees from fulfilling this obligation. In such instances:

- Employees **MUST** notify his/her designated contact as far in advance as possible, but not later than two (2) hours before his/her start time if he/she expects to be absent or tardy. (Four hours advance notice is appreciated.)
- Employees **MUST** call in for each day of absence.
- Employees **MUST** speak directly to his/her designated contact when calling in to report absence or tardiness.
- During the orientation process, employees will be provided specific contact names and call-in procedures to report absence or tardiness. Failure to utilize designated procedures may be considered as No- Call / No-Show and could result in termination.

SMOKING POLICY

Kissito Healthcare strives to provide a healthful, safe, and comfortable working environment for all employees, residents and visitors. Smoking by employees, residents and visitors is permitted only in designated smoking areas. Employees and visitors who wish to smoke must therefore leave the building and use only designated outdoor areas which have appropriate smoking waste disposal receptacles. Employees are permitted to smoke in designated smoking areas only during scheduled break times and scheduled meal times. Smoking in company-owned vehicles is strictly prohibited. In fairness to all employees, individuals who smoke are expected to comply with existing company policy regarding break time. Smokers are not to be singled out or monitored in any way that results in treatment different from that applied to other employees. Supervisors and managers will be held accountable for fairly applying all company policies including those on breaks and meal periods. Employees violating company work rules on breaks or smoking areas will be subject to disciplinary action, up to and including termination of employment.

ACCIDENT AND INCIDENT REPORTS

When an employee sustains an injury regardless of how minor, it must be reported to his/her supervisor immediately. In addition, an Incident Report Form must be completed before leaving the facility at the end of the shift. Incident Report Forms are available from or your immediate supervisor or the Facility Administration Department. The employee must return the completed Incident Report Form to his/her immediate supervisor before leaving the facility at the end of the shift in which the accident/incident occurred. Failure to comply with policy guidelines for accident and incident reporting will result in disciplinary action, up to and including termination of employment.

CONFIDENTIALITY OF ELECTRONIC & TELEPHONE COMMUNICATIONS

It is the policy of Kissito Healthcare that the use of its computers and software is limited solely to appropriate business use. Employees are not allowed to use the computer system for their personal benefit. Employees are strictly forbidden from installing software on the system. Further, this policy reaffirms that the Company's employees have no reasonable expectation of privacy with respect to any voice mail, computer hardware, software, electronic mail or other computer or electronic means of communication or storage, whether or not employees have private access or a password into the computer system. Passwords are not designed nor do they provide confidentiality of any personal messages or documents. Kissito Healthcare's right to retrieve information stored on its systems is not restricted by the use of passwords. The Company reserves the right to monitor the use of its voice mail and computer systems without prior notice. The contents of communications or documents reviewed or retrieved by Kissito Healthcare for legitimate business reasons may be used and disclosed without an employee's permission.

All data transmission equipment such as computers, voice mail and electronic mail are the property of Kissito Healthcare and are intended for authorized business purposes only. Specifically, electronic mail and other information systems are not to be used for personal business, solicitation or personal causes. In addition, Kissito Healthcare's communication systems may not be used for any communication which would in any way be disruptive, insulting, offensive to others or harmful to morale. Harassing, disparaging or sexually explicit messages or jokes are strictly prohibited. Failure to comply with policy guidelines will result in disciplinary action, up to and including termination of employment.

USE OF PHONE AND MAIL SYSTEMS

Part of ensuring that resident care is a priority in the workplace is maintaining an environment in which employees are readily available during working time to perform their duties. When disruptions occur during an employee's work routine, it affects both the quality and continuity of services being provided to our residents.

So that we can work together to best meet our residents' needs, employees are not to make personal phone calls on Company phones except in an extreme emergency, such as the illness of a child or family member. When it is necessary for employees to make non-emergency personal calls, we strongly encourage that the calls be made during the employee's scheduled break periods or scheduled meal periods. Employees are discouraged from receiving non-emergency personal calls at work. Employees are expected to inform friends and family members of this policy and respectfully request that personal incoming calls be limited to emergency situations. Employees should provide their friends and family members with the name of the facility where he/she works, as well as the department and its phone number. In the event of an emergency, this contact

information will allow friends and family to reach you more quickly and easily.

The use of Kissito Healthcare paid postage for personal correspondence is prohibited. Unauthorized use of telephones, including long-distance, and or mail systems/postage is theft and will result in disciplinary action, up to and including termination of employment.

CELLULAR TELEPHONES

We realize that it is important that you are accessible to your family and friends. However, our primary objective is to provide care for our residents. Therefore, employees should arrange for and place personal calls only during scheduled break and scheduled meal periods. To avoid potential distractions, employees should store cellular phones in an employee locker or leave them in their vehicle. Cellular phones must be set on silence so as not to disturb others. Employees may use cellular telephones to make and receive personal calls during scheduled break and scheduled meal periods only. Cellular phone usage should be restricted to an office, break-room or outdoors. **Camera phones are strictly prohibited in all Kissito Healthcare facilities.**

USE OF EQUIPMENT & VEHICLES

When using Kissito Healthcare property, including equipment and vehicles, employees are expected to exercise care, insure that the required maintenance is performed and follow all operating instructions, safety standards, and safety guidelines. Employees who operate Company vehicles are required to maintain a valid driver's license and have physical possession of his/her operator's license when operating company vehicles.

An employee must notify his/her supervisor immediately if any equipment, machine, tools or vehicles appear to be

damaged, defective or in need of repairs. Prompt reporting of damages, defects and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. Consult your supervisor if you have any questions regarding an employee's responsibility to maintain and care for equipment or vehicles used in the course of employment.

The improper, careless, negligent, destructive or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations while operating company vehicles, will result in disciplinary action, up to and including termination of employment. Any expenses associated with improper use of equipment as stated above will be paid by the employee (Pursuant to state law).

DISCIPLINARY PROCEDURES/PROGRESSIVE DISCIPLINE

Kissito Healthcare is committed to protecting the well being and rights of employees and to assure safe, efficient operations. In addition, Kissito Healthcare strives to administer equitable and consistent discipline for unsatisfactory conduct and work performance. It is in Kissito Healthcare's best interest to ensure fair treatment for all employees and make certain that disciplinary actions are prompt, uniform and impartial. The goal of any disciplinary action is to correct the deficiency, prevent reoccurrence, and prepare the employee for satisfactory service in the future.

To help accomplish these goals, employees are expected to follow company policies and guidelines, and meet or exceed reasonable work and customer-service expectations. The Disciplinary Procedures/ Progressive Discipline policy establishes a fair plan for correcting and addressing unacceptable conduct and work performance. The policy distinguishes between two classes of improper behavior or actions: Class I and Class II.

Class I Offenses

Examples of Class I offenses include, but are not limited to:

- Failing to obtain prior authorization from immediate supervisor for overtime.
- Disregarding safety or security regulations (which are not life threatening or do not endanger others).
- Insubordination or other disrespectful conduct. (Employees should report to the next level of management any orders that violate a policy, endanger a resident or employee, or that may be unethical.)
- Abusing time, attendance, PTO policies or failure to report to work as scheduled without proper notice to the manager or designee.
- Unauthorized use of telephones, mail systems or other Company owned equipment.
- Giving unauthorized medical advice.
- Endorsing external services to residents or families.
- Leaving the work site without permission during work hours (non-exempt employees).
- Failing to follow Kissito Healthcare's Dress Code and Personal Appearance Policy.
- Loitering or other disruptive behavior on Kissito Healthcare's premises or during work time.
- Exhibiting inappropriate behavior that adversely affects Kissito Healthcare's image, environment, or employee morale.
- Using obscene or other disruptive language or gestures.
- Failing to meet work performance standards, required annual competencies, or complete mandatory in-service training.
- Using tobacco products in prohibited areas. Using tobacco products at times other than scheduled break or meal periods.
- Failing to follow the manager's instructions, perform assigned work, or otherwise comply with applicable

procedures (which are not life threatening or do not endanger others).

Generally, Class I offenses will be addressed through the following progressive disciplinary actions:

First Violation -	Verbal Warning
Second Violation -	Written Warning
Third Violation -	Suspension without Pay
Fourth Violation -	Termination of Employment

As a general rule progressive disciplinary procedures will be followed for Class I offenses. **Violations of Class I offenses may also lead to immediate termination.** Three important factors will be considered in all applications of disciplinary actions:

- The seriousness of the offense.
- The employee's past performance, work record and discipline record.
- The circumstances surrounding the particular violation.

All disciplinary actions must be reviewed by the next level of management. Kissito Healthcare is committed to administering equitable and consistent discipline for unsatisfactory conduct. Employees who feel they have been disciplined unfairly are encouraged to utilize Kissito Healthcare's Dispute Resolution Procedures. (See pp. 24 – 26)

Class II Offenses

Examples of Class II offenses include, but are not limited to:

- Physical, mental or verbal abuse/harassment of residents, visitors, residents' families or coworkers.
- Resident neglect, violation of residents' rights or failure to report these actions.
- Falsification of timekeeping records.

- Fighting or threatening violence on Kissito Healthcare premises.
- Soliciting tips, gifts or borrowing money from residents or visitors.
- Accepting money or valuable gifts from residents, visitors or vendors.
- Failing to observe safety rules and regulations.
- Failing to report errors, accidents or related events occurring on Kissito Healthcare's premises.
- Falsifying reports or records, including both verbal and written.
- Endangering or placing at risk the welfare of a resident, visitor or coworker.
- Committing acts of physical violence or threats toward any employee, resident or visitor.
- Stealing, fraud or other forms of dishonesty, including use of company property without permission.
- Willfully defacing or destroying property belonging to Kissito Healthcare, a resident, a visitor or another employee.
- Negligence or improper conduct leading to damage of property belonging to Kissito Healthcare, a resident, a visitor or another employee.
- Violating Kissito Healthcare's Solicitation Policy.
- Violating residents' or employees' privacy by unauthorized access and/or release of confidential information.
- Violating Kissito Healthcare's Drug and Alcohol Policy.
- Harassing or discriminatory behavior related to sex, race, color, national origin, religion, age, veteran's status or disability or other status protected by state, local or federal law.
- Receiving criminal convictions for acts or conduct occurring on or off the job, which are related to job performance or are of such a nature that to continue

the employee in the assigned position or in Kissito Healthcare's employ could constitute negligence.

- Having unauthorized possession or use of firearms, explosives or other lethal weapons on Kissito Healthcare property.
- Failing to maintain required certification, licensure, credentials or work authorization.
- Removing Kissito Healthcare property or records without authorization.
- Sleeping during work time.
- Failing to complete employee health requirements as appropriate.
- Failure to maintain critical competencies that could endanger or place at risk the welfare of a resident.

While it is impossible to list every type of behavior that may be deemed a serious offense, the Class II Offenses listed above are examples of infractions or rules and conduct that will result in disciplinary procedures, **including the potential for immediate termination of employment.** Three important factors will be considered in all applications of disciplinary actions:

- The seriousness of the offense.
- The employee's past performance, work record and discipline record.
- The circumstances surrounding the particular violation.

All disciplinary actions must be reviewed by the next level of management. Kissito Healthcare is committed to administering equitable and consistent discipline for unsatisfactory conduct. Employees who feel they have been disciplined unfairly are encouraged to utilize Kissito Healthcare's Dispute Resolution Procedures. (See pp. 24 – 26)

JOB POSTINGS & INTER-COMPANY TRANSFERS

Kissito Healthcare provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience.

In general, notices of all regular full-time job openings are posted in each facility and/or on the Kissito website. Kissito Healthcare, however, reserves its discretionary right to not post a particular opening. Job openings will be posted on the employee bulletin boards and/or on the Kissito website. Generally, job postings remain open for five days.

Employees who possess the required skills, competencies and qualifications are encouraged to apply for posted openings. To be eligible to apply, employees must:

- Have performed competently for a minimum of 6 months in their current position;
- Not have a written warning on file; and
- Not be on probation or suspension.

Kissito Healthcare recognizes the benefit of developmental experiences and professional growth. Kissito Healthcare encourages all employees to discuss career paths and career plans with their immediate supervisor. Employees, who wish to apply for posted positions, should submit an Inter-Company Transfer Request Form to the Chief Administrative Officer (Administrator).

EMPLOYEE BENEFITS

DISCLAIMER

Kissito Healthcare has established a variety of employee benefit programs designed to assist you and your eligible dependents in meeting the financial burdens that can result from illness and to help you plan for retirement. This portion of the Employee Handbook contains a very general description of the benefits to which you may be entitled as an employee of Kissito Healthcare. Please understand that this general explanation is not intended to, and does not, provide you with all the details of these benefits. Therefore, this Handbook does not change or otherwise interpret the terms of the official plan documents. Your rights can only be determined by referring to the full text of the official plan documents, which are available for your examination from the Facility Administration Department. To the extent that any of the information contained in this Handbook is inconsistent with the official plan documents, the provisions of the official plan documents will govern in all cases.

Please note that nothing contained in the benefit plans described herein shall be held or construed to create a promise of employment or future benefits, or a binding contract between Kissito Healthcare and its employees, retirees or their dependents, for benefits or for any other purpose.

As in the past, Kissito Healthcare reserves the right, in its sole and absolute discretion, to amend, modify or terminate, in whole or in part, any or all of the provisions of the benefit plans described herein. Further, the Company reserves the exclusive right, power and authority, in its sole and absolute discretion, to administer, apply and interpret the benefit plans described herein, and to decide all matters arising in connection with the operation or administration of such plans. For more complete information regarding any of our

benefit programs, contact the Facility Administration Department.

GROUP HEALTH INSURANCE

Kissito Healthcare has an excellent insurance program for its employees. Regular full-time employees who are regularly scheduled to work a minimum of 30 hours per week become eligible for health insurance the first day of the month on or following 90 days of employment in an eligible class. Kissito Healthcare contributes 80% of the employee's group health insurance costs. Coverage for the employee's spouse and eligible dependents is available with premiums paid through payroll deduction.

Prior to eligibility, the Facility Administration Department will provide additional information detailing the group health plan(s) available to you as an employee of Kissito Healthcare and current employee and employer contribution amounts. The Facility Administration Department will assist you in making the necessary arrangements for enrollment.

Once chosen, elections for group health coverage are generally fixed for the remainder of the plan year. However, employees who experience a family status change (as defined in the Plan document and IRS regulations) may make changes to coverage levels during the plan year, provided the change is made within 30 days from the date of the change in family status. Please contact the Facility Administration Department to determine if a family status change qualifies under the plan document and IRS regulations.

During the annual open enrollment period, employees are free to make at will changes to their medical elections (including choice of medical plans from among the options offered) whether or not there has been a change in family status. The Facility Administration Department will notify all employees of the open enrollment dates and will assist

employees in making desired changes during the open enrollment period.

GROUP DENTAL INSURANCE

Regular full-time who are regularly scheduled to work a minimum of 30 hours per week are eligible to purchase Group Dental Insurance Coverage through payroll deduction the first day of the month on or following 90 days of employment in an eligible class. Coverage for the employee's spouse and eligible dependents is also available with premiums paid through payroll deduction.

Prior to eligibility, the Facility Administration Department will provide additional information detailing the group dental plan available to you as an employee of Kissito Healthcare and current employee contribution amounts. The Facility Administration Department will assist you in making the necessary arrangements for enrollment.

Once chosen, elections for group dental coverage are generally fixed for the remainder of the plan year. However, employees who experience a family status change (as defined in the Plan document and IRS regulations) may make changes to coverage levels during the plan year, provided the change is made within 30 days from the date of the change in family status. Please contact the Facility Administration Department to determine if a family status change qualifies under the plan document and IRS regulations.

During the annual open enrollment period, employees are free to make at will changes to their dental elections (including choice of dental plans from among the options offered) whether or not there has been a change in family status. The Facility Administration Department will notify all employees of the open enrollment dates and will assist employees in making desired changes during the open enrollment period.

GROUP LIFE INSURANCE

Regular full-time who are regularly scheduled to work a minimum of 30 hours per week are eligible for group life insurance coverage including an accidental death and dismemberment policy, the first day of the month on or following 90 days of employment in an eligible class. Kissito Healthcare will provide eligible employees life insurance coverage in an amount equal to 1.5 times his/her annual salary as defined in the Plan document (Consult plan document for maximum benefit amount). Employees that desire additional coverage may purchase additional amounts of life insurance through payroll deduction in accordance with limits specified in the Plan document. Dependent life insurance coverage and spousal life insurance coverage is also available through payroll deduction. The Facility Administration Department will assist you in making the necessary arrangements for enrollment.

SHORT TERM DISABILITY

Regular full-time employees who are regularly scheduled to work a minimum of 30 hours per week are eligible to purchase Short Term Disability Insurance Coverage through payroll deduction the first day of the month on or following 90 days of employment in an eligible class. Kissito Healthcare's short-term disability plan provides payment equivalent to 60% of an employee's weekly wage (Consult plan document for maximum benefit amount) for employees who are unable to work due to non-work related illness, injury, or disability. Participants are eligible to receive benefits after fourteen (14) consecutive calendar days of disability. Benefits begin on the 15th day of disability and continue for a maximum of thirteen (13) weeks.

A short-term disability leave must be certified by a physician's or licensed health care provider's statement identifying the nature of the disability, and stating or estimating the date when the employee will be able to return

to work. If the employee cannot return on that date, another statement from a physician or licensed health care provider, with a new return date, will be required. Employees will not be able to return to work without submitting a note from a physician or licensed health care provider authorizing the employee's return to work. Short-term disability claim forms may be obtained from the Facility Administration Department.

Any FMLA leave to which an employee may be entitled runs concurrently with time off granted under this policy. Any time spent on short-term disability counts as part of an employee's FMLA leave.

Employees who decline short-term disability coverage at their original eligibility date may request coverage at a later date. However, they will be required to present Evidence of Insurability. The insurance carrier will evaluate the information presented and determine whether to grant or decline the coverage requested.

The Facility Administration Department will provide additional information detailing the short-term disability plan available to you as an employee of Kissito Healthcare and associated premiums. The Facility Administration Department will assist you in making the necessary arrangements for enrollment.

LONG TERM DISABILITY

Regular full-time employees who are regularly scheduled to work a minimum of 30 hours per week are eligible to purchase Long Term Disability Insurance Coverage through payroll deduction the first day of the month on or following 90 days of employment in an eligible class. Kissito Healthcare's long-term disability plan provides payment equivalent to 60% of an employee's monthly wage (Consult plan document for maximum benefit amount) for employees who are unable to

work due to non-work related illness, injury, or disability. Participants are eligible to receive benefits after 90 consecutive calendar days of disability. Benefits begin on the 91st day of disability and continue up to age 65 if disability occurred prior to age 60. (This age is subject to change based on Social Security Normal Retirement Age.) Long term disability claim forms can be obtained from the Facility Administration Department.

Employees who decline long term disability coverage at their original eligibility date may request coverage at a later date. However, they will be required to present Evidence of Insurability. The insurance carrier will evaluate the information presented and determine whether to grant or decline the coverage requested.

The Facility Administration Department will provide additional information detailing the long term disability plan available to you as an employee of Kissito Healthcare and associated premiums. The Facility Administration Department will assist you in making the necessary arrangements for enrollment.

401(k) PLAN

Kissito Healthcare provides a 401(k) Retirement Savings Plan to help employees accumulate financial resources for retirement. The Plan allows employees to contribute up to 25% of gross pay on a pre-tax basis, subject to annual IRS limitations. Employees control their investment choices and may reallocate investments daily, if desired. An employee is fully vested in his/her own contributions and is entitled to those contributions upon termination of employment regardless of the length of employment.

To be eligible to join the 401(k) Plan, an employee must complete 90 days of service, must have worked a minimum of 1,000 hours, and be 21 years of age or older. The

employee may join the Plan the first day of any month on or following 90 days of employment. Employees control their investment choices and may reallocate investments daily, if desired. Once enrolled in the plan, an employee may change contribution percentages the first of the calendar year quarter – January 1, April 1, July 1, or October 1. (Employees are allowed to terminate contributions at any time. If contributions are terminated, the employee may restart contributions the first of the calendar year quarter – January 1, April 1, July 1, or October 1.)

Prior to eligibility, the employee will be given the Summary Plan Description for review and all necessary forms to complete to participate in the Plan.

PAID TIME OFF

Kissito Healthcare believes that its employees are the key to what makes a great company. While work makes up a large portion of an employee's life, we believe that a balance between work and play is essential in maintaining quality performance and the fun atmosphere in which we work. Kissito Healthcare recognizes that employees have diverse needs for time off from work. The company has a flexible approach to time off where personal days, sick days and vacation days are combined into one paid personal time allotment (PTO). Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness, appointments, emergencies or other needs that require time off from work.

PTO Eligibility

All regular full-time employees who are scheduled to work a minimum of 30 hours per week are eligible for PTO. Eligible employees begin accruing PTO from their first day of employment. However, employees are not eligible to request usage of earned PTO until completion of the 90-day

introductory period and entrance into Regular full-time employee classification. Regular part-time employees, temporary employees, per diem employees, and on-call employees are not eligible to accrue PTO.

Availability

PTO accruals are available for use in the pay period following completion of the 90-day introductory period and entrance into Regular Full-time employee classification. Thereafter, PTO hours are available for use in the pay period following the pay period in which they are accrued.

Accrual of PTO

All regular full-time employees who are scheduled to work a minimum of 30 hours per week will accrue PTO. Length of service determines the rate at which the employee will accrue PTO. PTO does not accrue on unpaid leaves of absence (military leave, FMLA, medical leave, etc.). Employees become eligible for the new higher accrual rate on the first day of the next pay period following the pay period in which the employee’s anniversary date falls.

Years of Service	Annual PTO Benefit	PTO Accrual Factor	Maximum Accumulation
0 – 4.99	15 Days (120 Hrs)	.05769 / hr	22.5 Days (180 Hrs)
5 – 9.99	20 Days (160 Hrs)	.07692 / hr	30.0 Days (240 Hrs)
10 +	25 Days (200 Hrs)	.09615/ hr	37.5 Days (300 Hrs)

Note:

- Annual Accrual Hours and Maximum Accrual Hours indicated above are based on a 40 hour work week.
- PTO is pro-rated based on the employee’s commitment of hours per week.
- PTO will not accrue beyond maximum indicated above.

Once the PTO accrual limit is reached, PTO will stop accruing until the employee takes time off and reduces their PTO balance below the maximum allowed.

Payment of PTO

Paid time off is paid at the employee's base rate of pay at the time of the absence and does not include overtime or any special forms of compensation such as incentives, commissions, bonuses or shift differentials.

PTO can be taken in as little as 15 minute increments. When PTO is used, an employee is required to request payment of PTO hours according to his/her regularly scheduled workday. For example, if an employee works a six-hour day, he/she would request six hours of PTO when taking that day off.

Scheduling of PTO

Our residents and residents' families depend on us to provide quality healthcare everyday. Whenever possible, PTO must be scheduled in advance for time off for vacations, personal leave appointments or other absences to ensure adequate staffing on those days or shifts. Kissito Healthcare will attempt to grant an employee PTO leave as requested. In the event that department staffing needs conflict with requested PTO, the PTO request will be denied and the employee asked to reschedule his/her PTO leave.

Planned PTO Absences: To ensure adequate staffing, employees should submit PTO requests for planned absences as early as possible. Kissito Healthcare requests advance notice for all Planned PTO Absences as follows:

5 or More Consecutive Days:	30 days prior
3 or More Consecutive Days:	14 days prior
2 Consecutive Days:	7 days prior
1 Day:	48 hours prior
Partial Day:	24 hours prior

Unexpected PTO Absences

Kissito Healthcare realizes that from time-to-time employees may not be able to report to work or work their entire scheduled shift due to unexpected events such as illness or family emergencies. All absences which can not be planned and approved a minimum of 24 hours in advance will be documented as unexpected absences. Although there may be an excellent explanation for an absence, it will be recorded as an unexpected absence. Guidelines for reporting Unexpected PTO Absences are as follows:

- Employees **MUST** notify his/her designated contact as far in advance as possible, but not later than two (2) hours before his/her start time if he/she expects to be absent or tardy. (Four hours advance notice is appreciated.)
- Employees **MUST** call in for each day of absence.
- Employees **MUST** speak directly to his/her designated contact when calling in to report absence or tardiness. During the orientation procedure, each employee will be provided specific call in procedures and designated contact information. Failure to utilize designated call-in procedures may be considered as No- Call / No-Show and could result in termination.
- Documentation by a physician indicating fitness to return to work is required for any absence of 3 or more consecutive days due to illness or injury.

Payment Upon Termination

As a general rule, employees who have completed the 90-day introductory period will be paid for accrued but unused PTO at termination. Employees who are terminated for gross misconduct and/or employees who fail to work a 2-week notice will not receive pay for accrued but unused PTO. (Pursuant to state law). Additionally, employees who leave Kissito Healthcare prior to completing their 90-day introductory period will forfeit any earned PTO. (Pursuant to

state law.)

COMPANY PAID HOLIDAYS

Kissito Healthcare has designated six (6) company paid holidays:

New Year's Day

Memorial Day

Independence Day (July 4th)

Labor Day

Thanksgiving Day

Christmas Day

All regular full-time employees who are scheduled to work a minimum of 30 hours per week are eligible to receive holiday pay after 90 days of employment. Holiday assignments will be distributed as equitable as is practicable to all employees qualified to perform the required duties. Employees who are scheduled to work on a company designated holiday will be paid straight-time for all hours worked on a company designated holiday plus holiday pay at the regular rate of pay if eligible.

In order to receive holiday pay, employees must work all scheduled hours the day prior to and the day following a company paid holiday.

BEREAVEMENT PAY

Experiencing the loss of a family member is extremely difficult. Kissito Healthcare realizes that employees going through this loss need time away from work to begin the recovery process. All full-time employees who are regularly scheduled to work 30 or more hours per week are eligible for up to three days of paid bereavement leave for the death of an immediate family member after 90 days of employment.

Immediate family members include:

- Spouse of Employee
- Child/Step Child of Employee or Employee's Spouse

- Parent or step parent of Employee or Employee's Spouse
- Brother/Sister or step-sibling of Employee or Employee's Spouse
- Grandchild of Employee or Employee's Spouse
- Grandparent of Employee or Employee's Spouse
- Son-in-law/Daughter-in-law of Employee or Employee's Spouse
- Great Grand-parent of Employee or Employee's Spouse

Employees should request bereavement leave as soon as they are aware of the need. Bereavement pay is calculated using the employee's base rate of pay at the time of the absence and does not include any special forms of compensation, such as incentives, commissions, bonuses or shift differentials. Employees may, with supervisor approval, use accrued PTO for additional time off if necessary.

JURY DUTY

To provide income protection while an employee carries out his/her civic responsibility, Kissito Healthcare provides the difference between jury duty pay and your regular day's pay for time spent serving on jury duty. Income protection for time spent serving on jury duty will be provided for a maximum of fifteen (15) work days in any twelve-month period. Employees, who are required to serve jury duty beyond the period of paid leave, may use any accrued paid time off or may request an unpaid jury duty leave of absence. All regular full-time employees who are regularly scheduled to work at least 30 hours per week are eligible to receive this benefit after 90 days of employment.

Upon receipt of notification from the state or federal courts of an obligation to serve on a jury, the employee should notify his/her supervisor. An employee on jury duty is expected to

report to work any day he/she is excused from jury duty or on any day when he or she can work a minimum of two consecutive hours excluding reasonable travel time.

In order to preserve our level of resident care, employees who are scheduled for a shift that begins at or after 3:00 pm on the day of jury service or are scheduled for a shift that begins at or before 3:00 am on the day following jury service, are not required to report to work on any day jury duty is served.

Upon receipt of the notice to serve jury duty, the employee should notify his/her supervisor immediately by providing a copy of the notice to serve jury duty. Upon the employee's return, the employee must submit a signed Certificate of Jury Service indicating the number of days served and proof of jury pay received.

If the jury duty falls at a time when the employee cannot be away from work, Kissito Healthcare may request that the court allow the employee to choose a more convenient time to serve if such request is made in accordance with the court's procedures.

TUITION REIMBURSEMENT PROGRAM

Kissito Healthcare managed facilities support employees who wish to continue their education to secure increased responsibility and growth within their professional careers. Eligible employees may pursue a degree or take individual courses at approved and accredited educational institutions under this program, provided the course of study is related to the employee's current position or a probable future assignment and the Company approves the course(s). The company will reimburse up to a maximum of \$2500 in a 12-month period for covered expenses.

Employees must meet **all** of the following eligibility requirements to participate in the Tuition Reimbursement

Program: Classified as a full-time regular employee *and* Commitment of 30 hours or more per week *and* Complete a minimum 6 months of employment as a full-time regular employee with a minimum commitment of 30 hours per week *and* Be in good standing as an employee with no disciplinary actions during the 6 months immediately proceeding the date of request. Reimbursement limits are based on the employees final grade in each course. Contact the Facility Administration Department or the Corporate Director of Human Resources regarding any questions about the Tuition Reimbursement Program.

ADMINISTRATOR IN TRAINING PROGRAM

Kissito Healthcare supports employees who desire to become Licensed Nursing Home Administrators by providing financial assistance for continuing education and on-site preceptorships to allow participants to develop their professional competencies under the guidance of an acknowledged, successful Senior Administrator. Before assuming management of a Kissito Healthcare facility, you will have the opportunity to shadow the position, integrate theory and practice and learn from someone who wants you to succeed.

Employees selected for participation will receive financial assistance for continuing education and on-site preceptorships. Covered expenses are defined as expenses for registration fees, tuition, required books and materials incurred by an employee for continuing education through an accredited program, state licensing exam fees and NAB licensing exam fees.

Employees must meet **all** of the following eligibility requirements to participate in the Administrator in Training Program: Classified as a full-time regular employee *and*; Commitment of 30 hours or more per week *and*; Complete a minimum 6 months of employment as a full-time regular

employee with a minimum commitment of 30 hours per week *and*; Be in good standing as an employee with no disciplinary actions during the 6 months immediately preceding the date of request *and*; Meet all state requirements for AIT candidates.

Reimbursement limits are based on the employees final grade in each course. Contact the Facility Administration Department or the Corporate Director of Human Resources regarding any questions about the Tuition Reimbursement Program.

FAMILY AND MEDICAL LEAVE ACT ("FMLA")

The Family and Medical Leave Act (FMLA) provides eligible employees with up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12 month period. During this leave, an eligible employee is entitled to continued group health plan coverage as if the employee had continued to work. At the conclusion of the leave, subject to some exceptions, an employee generally has a right to return to the same or to an equivalent position.

Eligibility Requirements

To be eligible for FMLA, regular full-time and regular part-time employees:

- Must have been employed by Kissito Healthcare for at least 12 months:
- Have worked at least 1,250 hours during the 12 month period immediately preceding the commencement of the leave; and
- Must be employed at a worksite (a) with 50 or more employees; or (b) where 50 or more employees are located within 75 miles of the worksite.

Per diem, on-call, and temporary employees are not eligible for FMLA leave.

Reasons For Leave

FMLA leave may be taken for any one, or for a combination of, the following reasons:

- the birth of the employee's child or to care for the newborn child;
- the placement of a child with the employee for adoption or foster care or to care for the newly placed child;
- to care for the employee's spouse, child or parent with a serious health condition; and/or
- the employee's own serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job.
- for any qualifying exigency arising out of the fact that the spouse, son, daughter, or parent is on active duty or has been notified of an impending call or order to active duty in the Armed Forces in support of a contingency operation.
- caregiver for a spouse, son, daughter, or next of kin covered service member who is recovering from a serious illness or injury sustained in the line of active duty.

A "serious health condition" is an injury, illness, impairment, or physical or mental condition that involves inpatient care or continuing treatment by a health care provider.

Length of Leave

Regular full-time and regular part-time employees who meet eligibility requirements are entitled to a maximum of 12 weeks of unpaid leave during any 12-month period for any FMLA qualifying reason(s). The 12-month period is a rolling 12-month period measured backward from the date an employee uses FMLA leave. (Exception: An employee who is the spouse, son, daughter, parent or nearest blood

relative of a recovering covered service member shall be entitled to a total of 26 workweeks of leave of all types of FMLA leave in “a single 12-month period”.)

Limitations on FMLA Leave

An employee’s entitlement to FMLA leave for birth or placement of a child expires 12 months after the birth or placement of the child. When both spouses are employed by Kissito Healthcare, they are together entitled to a combined total of 12 weeks of FMLA leave within the designated 12 month period for the birth, adoption or foster care placement of a child with the employees, for aftercare of the newborn or newly placed child, and to care for a parent with a serious health condition. Each spouse may be entitled to additional FMLA leave for other FMLA qualifying reasons (i.e., the difference between the leave taken individually for any of the above reasons and 12 workweeks, but not more than a total of 12 workweeks per person).

For example, if each spouse took 6 weeks of leave to care for a newborn child, each could later use an additional 6 weeks due to his/her own serious health condition or to care for a child with a serious health condition.

An employee may take intermittent leave or may take a reduced work schedule leave due to health or health care reasons when medically necessary.

Intermittent Or Reduced Work Schedule Leave

Intermittent leave is leave taken in separate blocks of time. A reduced work schedule leave is a leave schedule that reduces an employee's usual number of hours per workweek or hours per workday. Leave to care for a newborn or for a newly placed child may not be taken intermittently or on a reduced work schedule unless Kissito Healthcare agrees with respect to an individual leave request.

FMLA for a family member's or a personal health condition may be taken intermittently where "medically necessary". Any combination of FMLA leave and medical leave may not exceed the maximum 12-week limit (except where permitted by state law). If an employee takes leave intermittently or on a reduced work schedule basis, the employee must, when requested, attempt to schedule the leave so as not to unduly disrupt Kissito Healthcare's operations. When an employee takes intermittent or reduced work schedule leave for foreseeable planned medical treatment, Kissito Healthcare may temporarily transfer the employee to an alternative position with equivalent pay and benefits for which the employee is qualified and which better accommodates recurring periods of leave.

Requests for FMLA Leave

An employee should request FMLA leave by completing the Employer's Request for Leave form and submitting it to his/her immediate supervisor. When leave is foreseeable for childbirth, placement of a child or planned medical treatment for the employee's or family member's serious health condition, the employee must provide Kissito Healthcare with at least 30 days advance notice, or such shorter notice as is practicable (i.e., within 1 or 2 business days of learning of the need for the leave). When the timing of the leave is not foreseeable, the employee must provide Kissito Healthcare with notice of the need for leave as soon as practicable (i.e., within 1 or 2 business days of learning of the need for the leave).

Required Documentation

When leave is taken to care for a family member, Kissito Healthcare may require the employee to provide documentation or statement of family relationship (e.g., birth certificate or court document). Also, an employee will be required to submit medical certification from a health care provider to support a request for FMLA leave for the employee's or a family member's serious health condition.

Medical certification forms are available from the Facility Administration Department.

If Kissito Healthcare has reason to doubt the employee's initial certification, Kissito Healthcare may:

- with the employee's permission, have a designated health care provider contact the employee's health care provider in an effort to clarify or authenticate the initial certification; and/or
- require the employee to obtain a second opinion by an independent Kissito Healthcare-designated provider at Kissito Healthcare's expense. If the initial and second certifications differ, Kissito Healthcare may, at its expense, require the employee to obtain a third, final and binding certification from a jointly selected health care provider.

During FMLA leave, Kissito Healthcare may request that the employee provide recertification of a serious health condition at intervals in accordance with the FMLA. In addition, during FMLA leave, the employee must provide Kissito Healthcare with periodic reports regarding the employee's status and intent to return to work. If the employee's 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 the Company with reasonable notice (generally, within 2 business days) of the employee's changed circumstances and new return to work date. If the employee gives Kissito Healthcare notice of the employee's intent not to return to work, the employee will be considered to have voluntarily resigned.

Before the employee returns to work from FMLA leave for the employee's own serious health condition, the employee may be required to submit a fitness for duty certification from the employee's health care provider, with respect to the condition for which the leave was taken, stating that the employee is able to resume work.

FMLA leave or return to work may be delayed or denied if the appropriate documentation is not provided in a timely manner. Also, a failure to provide requested documentation of the reason for an absence from work may lead to termination of employment.

Use of Paid and Unpaid Leave

Employees will be required to use any available PTO before taking unpaid FMLA leave. The use of PTO does not increase the FMLA leave period. PTO accruals will be suspended during the leave and will resume upon return to active employment. The first 12 weeks of any Workers' Compensation leave will be recorded as FMLA. (However, workers' compensation leave **may** exceed the 12 weeks and **does not require** the use of any available PTO.)

Designation of Leave

Kissito Healthcare may designate a leave as FMLA, provided the requirements are met, even if not formally requested by the employee. The first 12 weeks of any Workers' Compensation leave will be recorded as FMLA. (However, workers' compensation leave **may** exceed the 12 weeks and **does not require** full use of PTO.) Kissito Healthcare will notify the employee that leave has been designated as FMLA leave. Kissito Healthcare may provisionally designate the employee's leave as FMLA leave if the Company has not received medical certification or has not otherwise been able to confirm that the employee's leave qualifies as FMLA.

Maintenance of Health Benefits

During FMLA leave an employee is entitled to continued group health plan coverage under the same conditions as if the employee had continued to work. To the extent that an employee's FMLA leave is paid, the employee's portion of health insurance premiums will be deducted from the employee's paycheck. For the portion of FMLA leave that is unpaid, the employee's portion of health insurance premiums

must be paid at the same time as if made by payroll deduction.

If the employee's payment of health insurance premiums is more than 30 days late, Kissito Healthcare may discontinue health insurance coverage upon notice to the employee.

Return from FMLA Leave

In order to properly schedule an employee's return to work, an employee on FMLA leave is requested to provide Kissito Healthcare with a minimum of 2 weeks advance notice of the date they intend to return to work. The employee may be required to submit a work release certification from their healthcare provider indicating fitness to return. Upon return from FMLA leave, Kissito Healthcare will place the employee in the same position the employee held before the leave or an equivalent position for which the employee is qualified with equivalent pay, benefits and other employment terms.

Limitations on Reinstatement

An employee is entitled to reinstatement only if he/she would have continued to be employed had FMLA leave not been taken. Thus, an employee is not entitled to reinstatement if, because of a layoff, reduction in force or other reason, the employee would not be employed at the time job restoration is sought.

Kissito Healthcare reserves the right to deny reinstatement to salaried, eligible employees who are among the highest paid 10 percent of Kissito Healthcare's employees employed within 75 miles of the worksite ("key employees") if such denial is necessary to prevent substantial and grievous economic injury to the Company's operations.

Failure To Return To Work Following FMLA Leave

In the event an employee does not return to work following the conclusion of FMLA leave, the employee will be considered to have voluntarily resigned. Kissito Healthcare

may recover health insurance premiums that the Company paid on behalf of the employee during any unpaid FMLA leave, unless the employer's failure to return to work was because of the employee's or a family member's serious health condition or because of other circumstances beyond the employee's control. In such cases, Kissito Healthcare may require the employee to provide medical certification of the employee's or the family member's serious health condition.

PERSONAL LEAVE OF ABSENCE

Kissito Healthcare may provide personal leaves of absence for regular full-time and regular part-time employees who are not eligible for FMLA leave because they have not been employed by Kissito Healthcare for at least 12 months, have not worked at least 1250 hours in the previous 12 months, or who work in a facility with less than 50 employees within a 75 mile radius. A personal leave of absence may be requested for any one of, or a combination of, the following reasons:

- the birth of the employee's child or to care for the newborn child;
- the placement of a child with the employee for adoption or foster care or to care for the newly placed child;
- to care for the employee's spouse, child or parent with a serious health condition; and/or
- the employee's own serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job.

A "serious health condition" is an injury, illness, impairment, or physical or mental condition that involves inpatient care or continuing treatment by a health care provider.

Length of Leave

Regular full-time and regular part-time employees may request personal leave as described in this policy once they have completed their 90-day introductory period. The length of the approved personal leave may not exceed 12-weeks (unless otherwise permitted by state law.)

Additionally, any combination of personal leave and FMLA leave may not exceed the maximum limit of 12 weeks (unless otherwise permitted by state law).

Requests for Personal Leave

An employee should request a Personal Leave by completing the Employer's Request for Leave Form and submitting it to his/her immediate supervisor. When leave is foreseeable for childbirth, placement of a child or planned medical treatment for the employee's or family member's serious health condition, the employee must provide Kissito Healthcare with at least 30 days advance notice, or such shorter notice as is practicable (i.e., within 1 or 2 business days of learning of the need for the leave). When the timing of the leave is not foreseeable, the employee must provide Kissito Healthcare with notice of the need for leave as soon as practicable (i.e., within 1 or 2 business days of learning of the need for the leave).

Required Documentation

When leave is taken to care for a family member, Kissito Healthcare may require the employee to provide documentation or statement of family relationship (e.g., birth certificate or court document). Also, an employee will be required to submit a health care provider's statement to support a request for personal leave for the employee's or a family member's serious health condition and its expected beginning and ending dates. Medical certification forms are available from the Facility Administration Department.

If Kissito Healthcare has reason to doubt the employee's initial certification, Kissito Healthcare may:

- with the employee's permission, have a designated health care provider contact the employee's health care provider in an effort to clarify or authenticate the initial certification; and/or
- require the employee to obtain a second opinion by an independent Kissito Healthcare-designated provider at Kissito Healthcare's expense. If the initial and second certifications differ, Kissito Healthcare may, at its expense, require the employee to obtain a third, final and binding certification from a jointly selected health care provider.

During the personal leave, Kissito Healthcare may request that the employee provide recertification of a serious health condition at prescribed intervals. In addition, during personal leave, the employee must provide Kissito Healthcare with periodic reports regarding the employee's status and intent to return to work. If the employee's anticipated return to work date changes and if it becomes necessary for the employee to take more or less leave than originally anticipated, the employee must provide the Company with reasonable notice (generally, within 2 business days) of the employee's changed circumstances and new return to work date. If the employee gives Kissito Healthcare notice of the employee's intent not to return to work, the employee will be considered to have voluntarily resigned.

Before the employee returns to work from personal leave for the employee's own serious health condition, the employee must submit a fitness for duty certification from the employee's health care provider, with respect to the condition for which the leave was taken, stating that the employee is able to resume work.

The personal leave or return to work may be delayed or denied if the appropriate documentation is not provided in a timely manner. Also, a failure to provide requested

documentation of the reason for an absence from work may lead to termination of employment.

Use of Paid and Unpaid Leave

Employees will be required to use any available PTO before taking unpaid personal leave. The use of PTO does not increase the personal leave period. PTO accruals will be suspended during the leave and will resume upon return to active employment

Maintenance of Health Benefits

During personal leave an employee is entitled to continued group health plan coverage provided the employee assumes the **full cost** of these benefits for the duration of the length of absence. To the extent that an employee's personal leave is paid, health insurance premiums will be deducted from the employee's paycheck. For the portion of personal leave that is unpaid, the employee's portion of health insurance premiums must be paid at the same time as if made by payroll deduction.

If the employee's payment of health insurance premiums is more than 30 days late, Kissito Healthcare may discontinue health insurance coverage upon notice to the employee.

Return from Personal Leave

In order to properly schedule an employee's return to work, an employee on personal leave is requested to provide Kissito Healthcare with a minimum of 2 weeks advance notice of the date they intend to return to work. The employee will be required to submit a work release certification from their healthcare provider indicating fitness to return. Extensions for personal leave will not be granted unless dictated by state or local law. Upon return from personal leave, Kissito Healthcare will make every effort to reinstate the employee to the same position, if it is available, or to an equivalent position for which the employee is qualified. However, **unless applicable state or local law**

requires otherwise, reinstatement will not be guaranteed when the leave is not categorized as FMLA. In the event an employee fails to return to work on the agreed upon return date, Kissito Healthcare will assume the employee has resigned.

MILITARY LEAVE

Employees who are inducted into the U.S. Armed Forces or who are reserve members of the U.S. Armed Forces will be granted leaves of absence for military service, training or other obligations in compliance with state and federal laws. Kissito Healthcare will pay the difference between military pay and regular wages/salary for up to two weeks. Employees may use accrued paid time off but are not required to do so.

During a leave of 30 days or less, an employee's group health plan coverage will be continued under the same conditions as if the employee had continued to work. For military leaves of 31 days or more, an employee may elect to continue his/her health coverage for up to 18 months of uniformed service but will be required to pay the **full premium** for the continuation coverage. Benefit accruals, such as paid time off and holiday benefits, will be suspended during the leave and will resume upon the employee's return to active employment.

At the conclusion of the leave, employees generally have the right to return to the same position held prior to the leave or to positions with equivalent seniority, pay and benefits. Employees on military leave of 30 days or less are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time and an 8-hour rest period. Appropriate military documentation will be required. Employees on military leave of more than 30 days must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees are requested to notify their supervisors as soon as they are aware of the military obligation. Advance notice of military service is required, unless military necessity prevents such notice, or it is otherwise impossible or unreasonable.

Questions regarding the company's military leave policy, applicable state and federal laws and continuation of benefits should be directed to the Facility Administration Department.

CONTINUATION OF MEDICAL & DENTAL COVERAGE (COBRA)

Under provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA, you and your covered family members may choose to continue coverage under Kissito Healthcare's medical and dental plans after your coverage is scheduled to end. You will pay a monthly premium to continue your coverage. You have a maximum of 60 days from the date your coverage ends to elect continued coverage. If you do not respond within the 60 days, your rights to continue coverage end. The length of time you may continue coverage depends on the reason your or your dependents' coverage ended.

You and/or your dependents may continue coverage for 18 months if you:

- Begin working less than the minimum number of hours per pay period required for eligibility.
- Are laid-off or discharged.
- Leave work voluntarily for reason other than disability.

You may continue coverage for 29 months if:

- You leave work because you are totally disabled and are eligible to receive Social Security benefits.

- You or a covered family member becomes disabled in the first 60 days of COBRA coverage.

Your covered family members may continue their coverage for 36 months if:

- You die while you are employed by Kissito Healthcare.
- Your children reach the dependent age limit for coverage under the Plan.

Be sure to contact the Facility Administration Department when you have a situation in which coverage for someone in your family will be ending (divorce, ineligibility due to age of a dependent, resignation, termination of employment, reduction in employee's hour, leave of absence, etc). Also, your family members may continue their coverage if they are no longer eligible for coverage because of your death.

The Facility Administration Department will tell you the exact cost of continuing coverage for you or your family. You will be charged the full cost of the coverage, plus a small administrative fee.

HIPAA - EMPLOYEE PRIVACY RIGHTS

The Health Insurance Portability and Accountability Act of 1996, known as HIPAA, includes important – but limited – protection for workers and their families. HIPAA may:

- Increase your ability to get health coverage for yourself and your dependents if you start a new job;
- Lower your chance of losing existing health care coverage, whether you have that coverage through a job, or through individual health insurance;
- Help you maintain continuous health coverage for yourself and your dependents when you change jobs; and

- Help you buy health coverage on your own if you lose coverage under an employer's group health plan and have no other health coverage available.

Among its specific protection, HIPAA:

- Limits the use of pre-existing condition exclusions;
- Prohibits group health plans from discriminating by denying you coverage or charging you extra for coverage based on your or your family member's past or present poor health;
- Guarantees certain small employers, and certain individuals who lose job-related coverage, the right to purchase health insurance;
- Guarantees, in most cases, that employers or individuals who purchase health insurance can renew the coverage regardless of any health conditions of individuals covered under the insurance policy.

In short, HIPAA may lower your chance of losing existing coverage, ease your ability to switch health plans and/or help you buy coverage on your own if you lose your employer's plan and have no other coverage available.

HIPAA's Privacy Rules give individuals a fundamental new right to be informed of the privacy practices of their health plans and other covered entities, as well as to be informed of their privacy rights with respect to their personal health information. The Privacy Rules require "covered entities" which include the health plans but does not include the Company to observe privacy standards and implement safeguards to protect "protected health information". This law gives you significant new rights to understand and control how your health information is used.

"Protected health information" includes any individual identifiable health information that is maintained or transmitted through any medium (oral, written, or electronic),

relating to an individual's past, present, or future physical or mental health or health care. Health information is considered individually identifiable if it either identifies a person by name or creates a reasonable basis to believe the individual could be identified (through identifiers such as address, Social Security number, dates of service, telephone number, email address, or vehicle identification number.)

Without specific written authorization or another basis authorized by the HIPAA Privacy Rights, covered entities are permitted to use and disclose your healthcare records only for the limited purpose of treatment, payment and healthcare operations.

You have certain rights in regard to your protected health information, which you can exercise by presenting a written request to the privacy officer of the covered entity using or disclosing your information.

TERMINATION OF EMPLOYMENT

Employment with Kissito Healthcare is based on mutual consent. Both the employee and Kissito Healthcare have the right to terminate employment at will, with or without cause, with or without notice, at any time.

Voluntary Termination (Resignation)

Although we hope your employment with Kissito Healthcare will be a mutually rewarding experience, we understand that varying circumstances do cause employees to voluntarily resign employment. Should this time come, employees are encouraged to provide two weeks notice to facilitate a smooth transition out of the organization. Supervisors, Department Heads, and Chief Administrative Officers (Administrators) are encouraged to provide a 30-day notice. Failure to provide a two-week notice, may adversely affect eligibility for rehire. Additionally, employees who fail to

provide and work a full two-week notice will forfeit any accrued but unused PTO (pursuant to state laws).

All resignations must be submitted in writing. Written notice should include the date notice is given, the reason(s) for leaving and the effective date of resignation.

Management reserves the right to provide an employee with pay in lieu of having the employee work out the notice in situations where job or business needs warrant such action. Such a decision should not be perceived as reflecting negatively on the employee. In such instances, accrued but unused PTO will be included on the employee's final paycheck.

The employees' final paycheck will be mailed to the address of record on the employee's next scheduled payday (pursuant to state law). Generally, accrued but unused PTO will be included on the final paycheck. **Employees who fail to provide and work a full two-week notice will forfeit any accrued but unused PTO (pursuant to state laws).**

Health and dental insurance will terminate the last day of the month in which the termination becomes effective, unless otherwise noted. Life insurance will terminate on the effective date of termination. Certain benefits may be continued at the employee's expense. The Facility Administration Department will provide the employee written notification of the benefits that may be continued and of the terms, conditions and limitations of such continuation.

Job Abandonment

An employee who fails to report to work and fails to notify his/her supervisor of the reason for absence from work will be considered to have abandoned his/her job. The employee is deemed to have quit and will be terminated immediately. An appeal may be made in writing to the immediate supervisor. If it is determined that there were extenuating

circumstances for the absence and failure to notify, the employee may be reinstated.

The employees' final paycheck will be mailed to the address of record on the employee's next scheduled payday (pursuant to state law). Generally, employees who abandon their jobs will not be paid for accrued PTO (pursuant to state law).

Health and dental insurance will terminate the last day of the month in which the termination becomes effective, unless otherwise noted. Life insurance will terminate on the effective date of termination. Certain benefits may be continued at the employee's expense. The Facility Administration Department will provide the employee written notification of the benefits that may be continued and of the terms, conditions and limitations of such continuation.

Involuntary Termination with Cause (Discharge)

Kissito Healthcare reserves the right under employment-at-will to terminate any employee at any time when it considers the termination to be in the best interests of the company. When feasible, employees will be given warning that they are in jeopardy of losing their jobs. Involuntary terminations may occur as a result of lack of work, corporate restructuring, or for unacceptable performance and personal conduct.

Reasons for an involuntary termination with cause may include but are not limited to:

- Misrepresentation on employment application
- Chronic or excessive absenteeism
- Misconduct
- Theft
- Insubordination
- Intentional, wrongful, and unlawful misconduct

- Violations of the Drug & Alcohol Policy
- Mistreatment or abuse of residents

When practical, employees will be warned and counseled. However, failure to correct behavior or further violation of company policy may result in additional disciplinary action, up to and including termination. Depending on the nature of the offense, the Company reserves the right to terminate any employee without warning.

In the case of involuntary termination with cause, Kissito Healthcare will inform the employee of the reason for termination. The date of separation will be the employee's last day worked.

The employees' final paycheck will be mailed to the address of record on the employee's next scheduled payday (pursuant to state law). Accrued but unused PTO will be included on the final paycheck in accordance with Kissito Healthcare's Paid Time Off policy except for cases of termination for gross misconduct (pursuant to state law).

Health and dental insurance for a terminated employee will terminate the last day of the month in which the termination becomes effective, unless otherwise noted. Life insurance will terminate on the day in which the employee terminates. Certain benefits may be continued at the employee's expense. The Facility Administration Department will provide the employee written notification of the benefits that may be continued and of the terms, conditions and limitations of such continuation.

Involuntary Termination Without Cause (Layoff)

Kissito Healthcare reserves the right under employment-at-will to terminate any employee at any time when it considers the termination to be in the best interests of the company. When feasible, employees will be given warning that they are in jeopardy of losing their jobs. Involuntary terminations

without cause may occur as a result of lack of work or corporate restructuring. In case of involuntary termination without cause, the employee's record will indicate an involuntary termination without cause (for example, from layoff). Employees are not entitled to severance pay upon termination.

The employees' final paycheck will be mailed to the address of record on the employee's next scheduled payday (pursuant to state law). Accrued but unused PTO will be included on the final paycheck in accordance with Kissito Healthcare's Paid Time Off policy (pursuant to state law).

Health and dental insurance for a terminated employee will terminate the last day of the month in which the termination becomes effective, unless otherwise noted. Life insurance will terminate on the day in which the employee terminates. Certain benefits may be continued at the employee's expense. The Facility Administration Department will provide the employee written notification of the benefits that may be continued and of the terms, conditions and limitations of such continuation.

RETURN OF PROPERTY

Employees are responsible for all property, materials, or written information issued to them or in their possession or control. Employees must return all Kissito Healthcare property immediately upon request or upon termination of employment. Where permitted by applicable state and federal law, Kissito Healthcare may withhold from the employee's check or final paycheck the cost of any Company property that is not returned when requested. Employees who fail to return all of Kissito Healthcare's property will be deemed ineligible for rehire and may be subject to legal proceedings on behalf of Kissito Healthcare.

SAFETY

Kissito Healthcare has a long-standing philosophy of taking pride in its practices to ensure the safety, health and well-being of all of our employees, residents, and visitors. This program serves to outline our commitment to this philosophy and provide guidance to all employees on the standards the company expects its employees to adhere to.

Fires and Other Emergencies

The facility where you are assigned has an emergency procedure and evacuation plan to follow in the event of fire or other disaster. These are posted prominently in common areas and bulletin boards on each floor of the facility. Exits, fire extinguishers and first aid kits are located on each floor. All employees are expected to familiarize themselves with the location of such equipment.

On-the-Job Injuries/Illnesses

Any job-related injury or illness, regardless of severity, must be reported immediately to your supervisor. In addition, an Incident Report Form must be completed before leaving the facility at the end of the shift. Incident Report Forms are available from your immediately supervisor or the Facility Administration Department. The employee must return the completed Incident Report Form to his/her immediate supervisor before leaving the facility at the end of the shift in which the accident/incident occurred.

General Safety Rules

Our employees perform a wide range of functions in various locations. Although some safety rules apply only to specific positions, all employees are expected to comply with the following:

- Use common sense in performing your duties.
- Report any work injury/illness to your supervisor immediately and complete an Incident Report Form

before leaving the facility at the end of the shift in which the accident/incident occurred.

- Report unsafe conditions to your supervisor immediately.
- Wear seat belts when operating any company or rented vehicle or driving your own personal vehicle while on company business.
- Be sure that aisles or exits are kept clear; do not let cords interfere with walkways.
- Open and close doors cautiously and use extra caution at blind hallway intersections.
- Report or clean up all spills immediately.
- Use stepstools, platforms or ladders for climbing. Never use chairs.
- Report or replace frayed electrical cords.

Emergency Evacuation Plans and Re-entry

In any emergency, employees should follow alarms or other alerts to evacuate the building and/or area near the premises. Always follow the basic evacuation procedures but remember that personal safety is paramount and takes precedence.

- Check work area for anything needing to be secured and store it quickly.
- Secure locks on all secured containers and cabinets.
- Leave your work area and report to your designated assembly area.

The Facility Administrator will coordinate with fire, police or other emergency preparedness personnel to determine when the building may be re-entered.

Improper Health and Safety Practices

All employees are expected to abide by safe work practices and adhere to general safety rules to ensure their safety as

well as the safety of coworkers and residents. Infractions of company health and safety practices will be dealt with in accordance with the company's policies on discipline and will be based on the following factors:

- Severity of the infraction.
- Whether the infraction endangered only the employee or other coworkers and residents.
- Whether the infraction was a first or repeat violation.

Employees are expected to obey safety rules and to exercise caution in all work activities. Employee must immediately notify their supervisor of any unsafe conditions. Employees will be subject to disciplinary action, up to and including termination of employment for:

- Violating or failing to comply with safety standards
- Causing hazardous or dangerous situations
- Failing to report hazardous or dangerous situations or, where appropriate, remedy such situation(s).
- Failure to comply with policy guidelines for accident and incident reporting. (See pg. 47)

DRUG AND ALOCHOL USE

This policy provides Kissito Healthcare employees with guidelines pertaining to drug and alcohol abuse during the normal course of employment. This policy applies to all employees of Kissito Healthcare at all facilities.

Kissito Healthcare desires to provide a drug-free, healthy, safe and productive work environment for all employees. It is the policy of the Company that employees shall not be involved with the unlawful use, possession, sale, or transfer of drugs or narcotics in any manner that may impair their ability to perform assigned duties or otherwise adversely affect the Company's business. Further, employees shall not

possess alcoholic beverages in the workplace or consume alcoholic beverages in association with the workplace or during work time. If we are to continue to fulfill our responsibility to provide reliable and efficient care to our residents and a safe work environment for our employees, employees must be physically and mentally fit to perform their duties safely and efficiently.

- Employees are expected to report for work and remain at work in condition to perform assigned duties free from the effects of alcohol and drugs.
- Alcohol abuse or illegal drug use and its physiological effects represent a threat to the well-being and security of employees and could cause extensive damage to the Company's reputation and community standing.
- Any involvement with alcohol/drugs that adversely affects the workplace or the work environment will not be tolerated.
- Off-the-job illegal drug activity or alcohol abuse that could have an adverse effect on an employee's job performance or that could jeopardize the safety of other employees, residents, the public, Company equipment, or the Company's relations with the public will not be tolerated.

“Drugs” and “alcohol” include any substance with the potential to produce the effects of intoxication and/or the potential to produce physical, mental, emotional or behavioral changes, which could adversely affect the employee’s ability to perform his/her job safely and efficiently. This prohibition includes any prescription or over-the-counter drug unless an employee’s possession and use of such drug on Company premises, or on-the-job, is expressly authorized. The term “Company premises” is used in its broadest sense and includes all land, property, buildings, structures, cars, trucks, and all other means of

conveyance owned or leased by the Company, or otherwise being utilized for Company business. The term “on-the-job” includes paid and unpaid meal and break periods during the business day.

Kissito Healthcare reserves the right to request a drug and alcohol screening as a condition of employment.

Furthermore, Kissito Healthcare reserves the right to randomly screen employees for drug and alcohol use.

Kissito Healthcare may require an employee to submit to drug and alcohol testing under justifiable circumstances, including but not limited to the following:

- Drug and alcohol tests may be conducted as a routine part of the pre-employment physical examination for all applicants prior to employment. Applicants must satisfactorily pass the drug screen prior to reporting to work. Offers of employment may be made, contingent upon satisfactorily meeting these requirements. If the drug screening procedures indicate the presence of drugs or controlled substances, the applicant will not be considered for further employment.
- When management has reasonable cause to believe the abuse of alcohol or drugs is adversely affecting an employee’s job performance.
- Where management has reasonable cause to believe an employee is using alcohol or performance-altering drugs on the job or on Company premises.
- Where an employee may have been involved in a work-related accident resulting in damage to property or equipment or injury requiring a doctor’s treatment.

Kissito Healthcare also reserves the right to take other justifiable measures, including the inspection of Company premises in order to insure compliance with this policy. Participation in such testing and inspection is voluntary, but employees who refuse shall be deemed in violation of this

policy. Employees who violate the Drug and Alcohol Policy will be subject to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Drug and alcohol violations may have legal consequences and may require mandatory reporting to State Licensing Boards.

Employees with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may request approval to take unpaid leave to participate in a rehabilitation or treatment program. Leave may be granted if the employee agrees to abstain from use of the problem substance; abide by all Kissito Healthcare policies, rules and prohibitions relating to conduct in the workplace; and if granting the leave will not cause Kissito Healthcare undue hardship.

In accordance with the Drug-Free Workplace Act, an employee who performs work for any government contract or grant must notify Kissito Healthcare of a criminal conviction for drug-related activity occurring in the workplace. The report must be made within five (5) days of the conviction.

An employee with questions or issues related to drug and alcohol use in the workplace is encouraged to raise these concerns with his/her immediate supervisor or the Facility Administrator without fear of reprisal.

All records and information obtained by Kissito Healthcare regarding alcohol and drug testing, the test results and treatment of employees for chemical dependency will be confidentially maintained by restricting access to a needs-to-know basis.

The use of drugs or alcohol during working hours is strictly prohibited.

Consequences of Alcohol/Drug Abuse

- The use, sale, or personal possession (including, but not limited to, on the person or in a desk, or vehicle) of illegal drugs while on the job, including rest periods and meal periods, or on Company property is a dischargeable offense and may result in criminal prosecution.
- Any illegal drugs found will be turned over to the appropriate law enforcement agency.
- The use or personal possession (including, but not limited to, on the person or in a desk, or vehicle) of alcohol during work time or on Company property is a dischargeable offense.
- Alcohol consumption is prohibited during the workday, including rest periods and meal periods.

HARASSMENT

Kissito Healthcare does not tolerate harassment that is based on any status or characteristic protected by federal or state law, including but not limited to sexual harassment. Kissito Healthcare will impose corrective action up to and including termination of employment for such offenses.

Sexual Harassment

Sexual harassment is unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature where:

- Giving in to or cooperating with the conduct, whether stated or implied, is made a term or condition of the individual's employment.
- Giving in to or rejecting the conduct is used as a basis for employment decisions affecting the individual.
- The conduct has the purpose or effect of substantially interfering with the individual's work performance or

creates an intimidating, hostile or offensive work environment.

Sexual harassment may include subtle and/or obvious behaviors and may be committed by individuals of the same or different gender. Examples of behavior that may be considered sexual harassment include:

- Verbal: unwanted sexual advances or requests for sexual favors; sexual jokes or suggestive remarks; commentary about an individual's body, sexual prowess or sexual deficiencies; suggestive comments, insults, humor, abuse, threats and/or jokes about sex or gender specific traits.
- Nonverbal: suggestive or insulting sounds, catcalls; leering, whistling, obscene gestures and/or display or examination in the workplace of posters or other materials of a sexual nature.
- Physical: touching, pinching, brushing the body, pressured sexual relations and/or assault.

Harassment

Harassment is verbal, non-verbal or physical conduct that degrades or shows hostility or dislike towards an individual because of his race, color, religion, national origin, sex, age, disability or any other characteristic protected by federal or state law. In addition, the conduct must:

- Have the purpose or effect of creating an intimidating, hostile or offensive work environment.
- Have the purpose or effect of unreasonably interfering with an individual's work performance.
- Otherwise adversely affect an individual's employment opportunities.

Examples of behavior that may be considered harassment include:

- Verbal: epithets, slurs, degrading jokes or negative stereotyping.
- Non-verbal: placement, distribution or discussion of any material that ridicules, degrades, insults, belittles, or shows hostility or aversion toward the protected characteristic(s) of an individual or group.
- Physical: threatening, intimidating, abusive or hostile acts based on the protected characteristics of an individual or group.

If you believe that you or a coworker has been harassed, sexually or otherwise, you or your coworker should, as soon as possible after the incident, take the following actions:

- Inform the harasser that the conduct is offensive and must stop.
- Report the conduct to your immediate supervisor, the Director of Nursing or the Chief Administrative Officer (Administrator).

Kissito Healthcare will promptly and thoroughly investigate any complaint or report that is made and will take appropriate action based on the results of its investigation. To the extent feasible, Kissito Healthcare will handle the information revealed in a complaint or report or during the investigation in a confidential manner. Kissito Healthcare will not tolerate any retaliation against an employee for reporting conduct deemed in violation of the Harassment Policy.

WORKPLACE VIOLENCE

Kissito Healthcare does not tolerate any form of violence in the workplace. Identifying potential conflicts can help prevent violent situations from occurring. If you believe you or a coworker are a victim of workplace violence or suspect workplace violence may occur, you should report the

incident to your immediate supervisor, Director of Nursing, or the Chief Administrative Officer (Administrator) immediately. Should an employee wish to remain anonymous, Kissito Healthcare will make every effort to maintain the employee's confidentiality. Employees committing violent acts in the workplace will be subject to disciplinary action, up to and including termination of employment.

WELCOME ABOARD!!

Kissito Healthcare is a great place to work!! Kissito Healthcare is an organization driven by passion for excellent healthcare and meaningful and active lifestyles for those entrusted to our care. We foster an innovative and accountable work environment where the playful, attentive, and engaging attitudes of our employees leads to a more energetic, enthusiastic, productive and creative place to work than you will find anywhere, we assure you. **We are confident that you will find our work environment uniquely energetic and motivating. Our employees are truly connected to their work, their colleagues and to our residents. Imagine what a fantastic and rewarding career you will have with Kissito Healthcare!**

The employee/employer relationship that Kissito Healthcare has with its employees is a partnership in which:

Kissito Healthcare promises you:

- Competitive compensation and rewards based upon your performance.
- An environment where extraordinary performance is recognized and rewarded.
- Information and resources to successfully perform in your position.
- That you will be treated with dignity and respect in all interactions.

- A leadership team that provides open and honest feedback regarding your performance.

In return, Kissito Healthcare expects that you will:

- Behave in a manner consistent with our ethical and moral standards.
- Continually improve processes to address residents' needs.
- Treat all residents entrusted to our care with dignity and respect.
- Consistently perform your job duties at the highest level.
- Take personal responsibility and accountability for each interaction with a resident or family member and for maintaining their trust.

WELCOME ABOARD!!

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EMPLOYEE HANDBOOK ACKNOWLEDGEMENT

I acknowledge that I have received a copy of Kissito Healthcare's Employee Handbook. I agree to read it thoroughly, including the statements in the foreword describing the purpose and effect of the Handbook. I agree that if there is any policy or provision in the Handbook that I do not understand, I will seek clarification from my immediate supervisor or the Facility Administration Department. I understand that Kissito Healthcare is an "at will" employer; and as such, employment with Kissito Healthcare is not for a fixed term or definite period and may be terminated at the will of either party, with or without cause, and with or without prior notice. As stated in the foreword, I understand that Kissito Healthcare is the manager, and as a non-profit, is the sole member of my facility's operating entity. I understand that I am an employee of the facility, not Kissito Healthcare; and that in this handbook the term "Kissito Healthcare" is used collectively to refer to all facilities managed by Kissito Healthcare. I understand that this Handbook states Kissito Healthcare's policies and practices in effect on the date of publication. I understand that nothing contained in the Handbook may be construed as creating a promise of future benefits or a binding contract with Kissito Healthcare for benefits or for any other purpose. I also understand that these policies and procedures are continually evaluated and may be amended, modified, or terminated at any time.

Please sign and date this receipt and return it to the Facility Administration Department within 7 days of receipt.

Date: _____

Signature: _____

Print Name: _____

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KISSITO HEALTHCARE FACILITIES

Virginia

Brian Center Rehabilitation & Nursing Care
100 ARH Lane
Low Moor, VA 24457
540-862-3610

Brian Center Health & Rehabilitation
188 Old Fincastle Road
Fincastle, VA 24090
540-473-2288

Bland County Nursing & Rehabilitation Center
12185 Grapefield Road
Bastian, VA 24314
276-688-4141

The Springs Nursing Center
P.O. Drawer 1
Hot Springs, VA 24445
540-839-2299

Maple Grove Rehabilitation & Health Care Center
318 E. Main Street
Lebanon, VA 24266
276-889-0733

Arizona

Palm View Rehabilitation & Care Center
2222 S. Avenue A
Yuma, AZ 85364
928-783-8831

Texas

Cane Island Post Acute Care Center
21727 Provincial Boulevard
Katy, TX 77450
281-717-1302

Hondo Healthcare & Rehabilitation Center
3002 Avenue Q
Hondo, TX 78861
830-426-3056

Katyville Healthcare Center
5129 East Fifth
Katy, TX 77493
281-391-7087

Corporate Office

Kissito Healthcare
5228 Valleypointe Parkway
Suite 1, Building B
Roanoke, VA 24019
540-265-0322

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