



Gramercy
Healthcare

Gramercy Healthcare Management Employee Handbook

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I. RECEIPT FOR EMPLOYEE HANDBOOK



Dear Colleague:

Congratulations on your appointment and welcome to Gramercy Healthcare Management. You are now a part of an outstanding organization with a proud tradition and an exciting future.

Our staff plays an important role in helping to advance the quality and mission of this great company. We recognize that the commitment and dedication of our staff members are the foundations upon which excellence is built.

You are encouraged to learn all you can about Gramercy, and I believe the Staff Handbook is a good place to start. The handbook is designed to help you feel comfortable in your new position by acquainting you with important information about human resources policies and procedures. The orientation process should further answer any questions you might have. My one piece of advice is keep asking questions. The more you learn, the stronger your impact can be in your position, and with the company as a whole.

Best wishes in your career as an integral part of Gramercy Healthcare Management.

Sincerely,

Katy Chiang, CEO
Gramercy Healthcare Management

Gramercy Healthcare Management History

Gramercy Healthcare Management was established in 2014 by the Management Team of Gramercy Surgery Center. For the past two decades the Gramercy team has been offering a wide range of healthcare related projects and services, including strategic planning and consulting for Ambulatory Surgery Centers, Medical Tourism, Healthcare IT, and Healthcare Real Estate Investment. Today, Gramercy Healthcare Management endeavors to use this wealth of experience in providing management and consulting services to professional healthcare groups, helping clients to lower costs, improve operations, benchmark services and grow business.

Gramercy Surgery Center, managed by Gramercy Healthcare Management, was established in 2006, to provide surgeons with a friendly, high-quality, and professional setting to treat their patients. Gramercy Surgery Center is a fully-licensed Article 28 center and is also Medicare-certified which means, we must abide by state and federal regulations governing free-standing surgery centers. In 2015 Gramercy Surgery Center expanded to its satellite location, GSC–Queens, ushering in a new era in establishing the Gramercy brand as a major player in the New York City healthcare provider and healthcare management arena.

Gramercy Healthcare Management strives to provide exceptional management services that enable client facilities to offer patients and their families a comfortable, private, and friendly environment, quite opposite to the disturbing emergency and trauma situations that patients might encounter in a hospital environment, all while providing the highest quality of care in all aspects of the surgical experience

Employee Handbook & At-Will Employment

This Employee Handbook contains only general information and guidelines. It is not intended to be exhaustive or to address all the possible functions of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit, or the applicability of a policy or procedure, you should address your specific questions to your immediate supervisor or Human Resources. This Employee Handbook supersedes all previously issued handbooks. Unless otherwise indicated, it also supersedes any prior oral or written statements by the Company that conflict with this handbook. The Employee Handbook and any additional amendments will be accessible via Gramercy Healthcare Management's Human Resources Department.

Neither this handbook nor any other Company document, confers any contractual right, either express or implied, to remain in the Company's employ. Nor does it guarantee any fixed terms and conditions of your employment. An "at will" employment relationship exists between the Company and most of its employees, unless that relationship has been altered by a written document signed by the CEO and the employee. An "at-will" relationship means that either you or the Company may terminate your employment relationship at any time, for any reason that does not violate the law. No supervisor or other representative of the company except the CEO has the authority to alter the "at will" employment relationship between you and the Company. Nothing in this handbook should be understood as creating guaranteed or continued employment, a right to termination only "for cause", or for any other guarantee of continued benefits or employment.

Gramercy Healthcare Management reserves the right to modify, revoke, suspend, terminate or change any procedures, policies and benefits of this handbook at any time but is committed to inform you accordingly of any changes as they occur.

This handbook and the information in it should be treated as private and confidential. No portion of this handbook should be disclosed to others, except Gramercy Healthcare Management employees and others associated with Gramercy Healthcare Management whose knowledge of the information is required in the normal course of business. Finally, some of the topics described here are covered in detail in official policy and procedure documents. This handbook supersedes all prior handbooks.

Employment Policies

1. Equal Employment Opportunity Policy

Gramercy Healthcare Management is an equal opportunity employer. We are committed to complying with all federal, state, and local laws and regulations providing Equal Employment Opportunities, and all other employment laws and regulations. Equal Employment Opportunity has been, and will continue to be, a fundamental principle for Gramercy Healthcare Management, where employment or promotion is based upon personal capabilities and qualifications without discrimination because of actual or perceived race, creed, color, religion, alienage or national origin, ancestry, citizenship status, age, disability or handicap, sex, marital status, veteran status, sexual orientation or gender identity, arrest record, or any other characteristic protected by applicable federal, state or local laws.

This policy of Equal Employment Opportunity applies to all aspects of employment. It includes but is not limited to, all policies and procedures relating to recruitment and hiring, training, promotion or transfers, discipline, compensation, benefits, termination or layoffs and all other terms and conditions of employment.

If you have any questions about the/our Equal Employment Opportunity Policy or if you feel you have been the victim of discrimination, please contact Human Resources. The Company will conduct a prompt and thorough investigation of all allegations of discrimination or any violation of the Company's Equal Employment Opportunity Policy and take appropriate corrective action, if and where warranted. This process is explained further in the Non Discrimination and Non Harassment section of this handbook.

2. Human Resources and Executive Committee

Gramercy Healthcare Management's CEO also performs Human Resources responsibilities for the Company along with the Manager of Human Resources and will be referred to in the handbook jointly as "Human Resources". However, all Gramercy Healthcare Management supervisors are responsible for ensuring that Gramercy Healthcare Management's policies are followed. Employees' questions or concerns should be referred to their supervisor or Human Resources.

3. Code of Professional & Ethical Conduct

Gramercy Healthcare Management is committed to conducting business with the highest level of ethical and honest conduct. In order to maintain these standards, all employees must act in accordance with Company policies and procedures. . We expect that officers, directors, and employees of the company will not allow personal interests to conflict with the interests of the Company, its clients, or affiliates, nor will they misrepresent the Company or use their Company contacts to advance private or personal interests.

The following summarizes the Code of Professional & Ethical Conduct and applies to all operating units, subsidiaries, affiliates and employees of Gramercy Healthcare Management. Violation of the Code of Ethics and Professional Conduct can result in discipline, up to and including immediate termination of employment. The degree of discipline imposed may be

Influenced by the existence of voluntary disclosure of any ethical violation, and whether or not the violator cooperated in any subsequent investigation.

A. Conflict of Interest

A conflict of interest arises in the workplace when an employee has competing interests or loyalties that either are, or potentially can be, at odds with each other. Employees should avoid any situation that may involve a conflict of interest, which would cause the Company to be viewed unfavorably, or cause harm to the Company. While working with current or potential clients or competitors, employees should act in the best interest of the Company. Business dealings that appear to create a conflict between the interests of the Company and an employee are inappropriate. The Company recognizes the right of employees to engage in activities outside of their employment which are of a private nature and unrelated to our business. However, the employee must disclose any possible conflicts so that the Company may assess and prevent potential conflicts of interest from arising. A potential or actual conflict of interest includes, but is not limited to, situations where

- An employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of the Company's business dealings.
- A relative or close friends reports to a supervisor who affects their job responsibilities, pay, and promotions
- An employee starts a company that provides similar services to similar clients as those of her full time employer
- An employee who is a member of a company selection team fails to disclose that he is related to a job candidate whom the company team is considering for a position
- An employee uses skills or knowledge learned in the course of his employment, to aid in the development of a competitor company's business.
- A member of the company board of directors accepts fees and provides advice to a company that is in direct competition with Gramercy Healthcare Management.

Whether a situation is a conflict of interest will be assessed on a case by case basis, by Human Resources and Executive Management. If an employee has any question regarding whether an action or proposed course of conduct would create a conflict of interest, he or she should contact Human Resources to obtain advice on the situation.

Failure to comply with the Conflicts of Interest Policy is grounds for discipline, up to and including immediate termination.

B. Reporting Potential Conflicts

An employee must promptly disclose actual or potential conflicts of interest, to his or her supervisor, before any potential harm or unfavorable result occurs to the Company. Any report must be immediately brought to the attention of Human Resources by the supervisor. It may be possible for the Company to approve the activity/relationship in question, however, approval will not be given unless the relationship/activities will not interfere with the employee's duties or will not damage the Company's operations, assets, profits or reputation. A violation of this policy will result in appropriate discipline, up to and including termination

C. Outside Employment Statement

In general, outside work activities are not acceptable when they:

- Prevent the employee from fully performing work for which he or she is employed at the Company, including after hours assignments;
- Involve organizations that are doing or seeking to do business with the Company, including actual or potential vendors or customers; or
- Violate provisions of law or the Company's policies.

From time to time, Company employees may be required to work beyond their normally scheduled hours. Employees must perform this work when requested. In cases of conflict with any outside activity, the employee's obligations to the Company must be given priority. Employees are hired and continue in Gramercy Healthcare Management's employment with the understanding that Gramercy Healthcare Management is their primary employer and that other employment or commercial involvement that is in conflict with the business interests of Gramercy Healthcare Management is strictly discouraged.

Part Time employees may engage in outside employment so long as it does not interfere with that employee's ability to report to work as scheduled, or create a conflict of interest.

Per Diem employees are an exception to the outside employment policy as they are hired on an as needed basis and with the understanding that they will work when they are available and the company needs them. Per Diem employees may have outside employment; however, if they accept a slot on the schedule on any particular day they are expected to report follow company policies regarding dependability, punctuality, tardiness, etc. It is Company policy that Per Diem employees have availability to work at least 5 days a month at GHM.

D. Confidential Nature of Work

All Gramercy Healthcare Management records and information relating to Gramercy Healthcare Management or its employees, clients, partners or program participants are confidential and employees must, therefore, treat all matters accordingly. No Gramercy Healthcare Management or Gramercy Healthcare Management-related information, including without limitation, documents, notes, files, records, oral information, computer files or similar materials (except in the ordinary course of performing duties on behalf of Gramercy Healthcare Management) may be removed from Gramercy Healthcare Management's premises without permission from an Executive Manager. Additionally, the contents of Gramercy Healthcare Management's records or information otherwise obtained in regard to business may not be disclosed to anyone, except where required for a business purpose. Employees must not disclose any confidential information, purposefully or inadvertently through casual conversation, to any unauthorized person inside or outside the Company. Employees who are unsure about the confidential nature of specific information must ask their supervisor for clarification. Employees will be subject to appropriate disciplinary action, up to and including termination, for knowingly or unknowingly revealing information of a confidential nature.

E. Intellectual Property

Employees may use the Company's trade secrets, copyrights and trademarks only in a manner that will ensure that these remain assets of the Company.

F. Accuracy

All of Gramercy Healthcare Management's financial reports, accounting records, research reports, clinical reports, patient records, commissions related reports such as monthly PFP (pay for performance) and PFP reconciliation reports, sales reports, expense reports, time sheets and any other Company documents must accurately represent the facts of the transaction. Any improper or fraudulent accounting, documentation or financial reporting is not in accordance with the Company reporting policy. Failure to adhere to this policy is grounds for immediate termination.

G. Work Product Ownership

In addition to legal action, all Gramercy Healthcare Management employees must be aware that Gramercy Healthcare Management retains legal ownership of the product of their work. No work product created while employed by Gramercy Healthcare Management can be claimed, construed, or presented as property of the individual, even after employment by Gramercy Healthcare Management has been terminated or the relevant project completed. This includes written and electronic documents, audio and video recordings, system code, and also any concepts, ideas, or other intellectual property developed for Gramercy Healthcare Management regardless of whether the intellectual property is actually used by Gramercy Healthcare Management. In any event, it must always be made clear that work product is the sole and exclusive property of Gramercy Healthcare Management. Contractors or temporary employees must be particularly careful in the course of any work they discuss doing, or actually do, for a competitor of Gramercy Healthcare Management.

H. Travel and Entertainment

Any and all travel and entertainment should be consistent with the needs of the business. Excessive alcohol consumption will be neither tolerated nor reimbursed (see General rules regarding alcohol under the Section "Drug-Free Workplace Policy"). The Company's intent is that employees neither lose nor gain financially as a direct result of business travel or entertainment. All employees must adhere to the expense reporting policy, which outlines guidelines and restrictions.

Employees may be reimbursed for reasonable approved expenses incurred in the course of business. These expenses must be approved by your supervisor, and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to your supervisor along with the receipts in a timely manner.

Employees are expected to exercise restraint and good judgment when incurring expenses. You should contact your supervisor in advance if you have any question about whether an expense will be reimbursed.

Overnight, Out-of-Town Trips

Non-exempt employees will be compensated for time spent traveling (except for meal periods) during their normal working hours, on days they are scheduled to work and on unscheduled work days (such as weekends). Non-exempt employees also will be paid for any time spent performing job duties during otherwise non-compensable travel time; however, such work should be limited absent advance management authorization.

Out-of-Town Trips for One Day

Non-exempt employees who travel out of town for a one-day assignment will be paid for all travel time, except for, among other things: (i) time spent traveling between the employee's home and the local railroad, bus or plane terminal; and (ii) meal periods.

Local Travel

Non-exempt employees will be compensated for time spent traveling from one job site to another job site during a workday. The trip home, however, is non-compensable when an employee goes directly home from his/her final job site, unless it is much longer than his/her regular commute home from the regular worksite. In such case, the portion of the trip home in excess of the regular commute is compensable.

Commuting Time

Under the Portal to Portal Act, travel from home to work and from work to home is generally non-compensable. However, if a non-exempt employee regularly reports to a worksite near his/her home, but is required to report to a worksite farther away than the regular worksite, the additional time spent traveling is compensable.

If compensable travel time results in more than 40 hours worked by a non-exempt employee, the employee will be compensated at an overtime rate of one and one-half times the regular rate.

I. Acceptance of Gifts

An employee may not solicit or accept gifts of significant value (i.e., in excess of \$100.00), lavish entertainment or other benefits from potential and actual customers, suppliers or competitors, unless such benefits are within the normal course of business of the Company and the industry within the Company operates. Employees should ensure that any significant gifts or benefits they receive are immediately disclosed to their supervisor. Special care must be taken to avoid even the impression of a conflict of interest.

An employee may entertain potential or actual customers if such entertainment is consistent with accepted business practices, does not violate any law or generally accepted ethical standards and the public disclosure of facts will not embarrass the Company. Any questions regarding this policy should be addressed with Human Resources.

J. Conflict Resolution

To foster sound employee-employer relations through conflict resolution of work-related problems, Gramercy Healthcare Management provides employees with an established procedure for expressing employment related concerns. It is the policy of Gramercy Healthcare Management that employee grievances and complaints be handled promptly while preserving the confidentiality and privacy of those involved to the extent feasible.

In situations where an employee feels a complaint is in order, the following steps should be taken:

1. The employee is first encouraged to attempt to resolve the issue(s) through discussion with his/her immediate supervisor.

2. If the employee feels that the complaint is handled improperly or in an untimely manner then he or she can report it to the attention of the next level of supervision or to Human Resources for further assistance; or if the complaint involves the supervisor and cannot be worked out directly, the employee may report it directly to Human Resources.

3. If employee is not satisfied with the resolution from Human Resources, or if the complaint involves Human Resources or a team member thereof, the employee may provide in writing their complaint to the CEO, who may resolve the complaint with outside mediation or assistance.

K. Open Door Policy

Gramercy Healthcare Management promotes an atmosphere where employees can talk freely with members of the management staff. Employees are encouraged to openly discuss with their supervisor any concerns or complaints in general so appropriate action may be taken. If the supervisor cannot be of assistance, Human Resources or CEO is available for consultation and guidance, and will make reasonable efforts to address and resolve complaints promptly.

4. Non-Discrimination and Anti-Harassment Policy

Gramercy Healthcare Management is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. The Company has “zero tolerance” for discrimination or harassment, based on race, national origin, marital or veteran status, gender, age, disability, religion, color or sexual orientation/gender identity and this applies without regard to whether the harasser is an executive member, a supervisor, a coworker, a client or a vendor. Therefore, Gramercy Healthcare Management expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

Discrimination or harassment is considered an act of misconduct and may subject an individual to disciplinary action, up to and including termination. All managers and supervisors are responsible for implementing and monitoring compliance with this policy.

A. Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment; ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (iii) such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances or requests for sexual favors; repeated requests for dates after being informed that interest is unwelcome; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual’s body, sexual prowess or sexual deficiencies; leering, catcalls or touching; insulting or obscene comments or

gestures; display or circulation in the workplace of sexually suggestive objects or pictures (including through e-mail or online links); retaliating against an employee for refusing a sexual advance or reporting an incident of possible sexual harassment to GHM or any government agency; offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties, extra shifts, etc., in exchange for sexual favors and other physical, verbal or visual conduct of a sexual nature.

Gender-based harassment defined as treating members of one gender/gender identity differently from another, (e.g., male supervisor yells only at female employees and not males) may also constitute discrimination if it is severe or pervasive and directed at employees because of their gender/gender identity.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal or physical conduct that belittles or shows hostility or aversion toward an individual because of **his/her race, color, religion, national origin, age, disability, alienage or citizenship status, marital status, creed, genetic predisposition or carrier status, sexual orientation/gender identity** or any other characteristic protected by law or that of his/her relatives, friends or associates, and that: (i) has the purpose or effect of creating an intimidating, hostile or offensive work environment; (ii) has the purpose or effect of unreasonably interfering with an individual's work performance; or (iii) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes, but is not limited to: epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes and display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including through e-mail or online links).

Discrimination and harassment will not be tolerated in the workplace. Supervisors, who become aware of any harassment prohibited by the policy, whether involving employee-to-employee or supervisor-to-employee conduct, must promptly report the matter to Human Resources, preferably in writing. If supervisors observe such harassment, they should take immediate action to stop it and also report it to Human Resources. Both supervisors and subordinates should be aware that the Company strictly prohibits supervisors from dating their subordinates and/or having a romantic or sexual relationship with any Client of the company. Any employee who believes they have witnessed, or been subject to any form of discrimination or harassment is required to immediately inform their supervisor, Human Resources or other manager at the Company.

B. Individuals and Conduct Covered

These policies apply to all applicants and employees, and prohibit harassment, discrimination and retaliation whether engaged in by fellow employees, by a manager or supervisor or by someone not directly connected to Gramercy Healthcare Management (e.g., an outside vendor, consultant or customer). Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during recruitment or business trips, business meetings and business-related Social events.

C. Complaint Procedure

Gramercy Healthcare Management strongly urges the reporting of all incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced conduct that they believe is contrary to Gramercy Healthcare Management's policy or who have concerns about such matters should file their complaints with their immediate supervisor and/or the Manager of Human Resources and/or CEO or other manager, before the conduct becomes severe or pervasive. Individuals should not feel obligated to file their complaints with their immediate Supervisor first before bringing the matter to the attention of one of the other Gramercy Healthcare Management designated representatives identified above.

Early reporting and intervention have proven to be the most effective methods of resolving actual or perceived incidents of harassment. Therefore, while no fixed reporting period has been established, Gramercy Healthcare Management strongly urges the immediate reporting of complaints or concerns so that rapid and constructive action can be taken.

Gramercy Healthcare Management will make every effort to stop alleged harassment before it becomes severe or pervasive, but can only do so with the cooperation of its employees.

The availability of this complaint procedure does not preclude individuals who believe they are being subjected to harassing conduct from promptly advising the offender that his or her behavior is unwelcome and requesting that it be discontinued.

D. The Investigation

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly, thoroughly and impartially. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge. Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action. The Company retains the right to delegate the investigation process to an impartial external investigator from the offices of our Employer Administrators (Prestige).

E. Responsive Action

Misconduct constituting harassment, discrimination or retaliation will be dealt with promptly and appropriately. Responsive action may include, for example, training, referral to counseling, monitoring of the offender and/or disciplinary action such as warning, demotion, reassignment, temporary suspension without pay, or termination, as Gramercy Healthcare Management believes appropriate under the circumstances. Individuals who have questions or concerns about these policies should talk with the Human Resources Manager.

Finally, these policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related Social activities or discussions in order to avoid allegations of harassment. The law and the policies of Gramercy Healthcare Management prohibit disparate treatment on the basis of sex or any other protected characteristic, with regard to terms, conditions, privileges and perquisites of employment. The prohibitions against harassment, discrimination and retaliation are intended to complement and further these policies, not to form the basis of an exception to them.

F. Retaliation Is Prohibited

Gramercy Healthcare Management prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action.

5. Americans with Disabilities Act Policy (“ADA”)

The Company is committed to complying with all applicable provisions of federal, state and city disability regulations, including, the Americans with Disabilities Act (“ADA”) and the New York City Human Rights Law. It is the Company’s policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual’s disability or perceived disability so long as the employee can perform the essential functions of the job. Consistent with this policy of nondiscrimination, the Company will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA and the New York City Human Rights Law, who has made the Company aware of his or her disability, provided that such accommodation does not constitute an undue hardship on the Company. Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact Human Resources. Gramercy Healthcare Management encourages individuals with disabilities to come forward and request reasonable accommodation.

A. Procedure for Requesting an Accommodation

Employee advises Human Resources or their supervisor of the need for an accommodation. Employee completes a Request for Accommodation Form and gives it to his supervisor or Human Resources.

On receipt of an accommodation request, a member of Human Resources and your supervisor will meet with you to discuss and identify the precise limitations resulting from the disability and the potential accommodation that Gramercy Healthcare Management might make to help overcome those limitations. The employee may be required to provide documentation supporting a disability, including medical certification

Gramercy Healthcare Management 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, Gramercy Healthcare Management’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 Gramercy Healthcare Management’s ability to conduct business. The Company will ensure it engages in an interactive process with the employee in discussing and deciding upon accommodation options. The Company reserves the right to engage with our Employer Administrators (Prestige) to assist in this interactive process. If an accommodation is not readily ascertainable, the matter will be pursued further with assistance from appropriate external resources. Additionally the Company reserves the right to offer its own accommodation to the extent permitted by law.

Gramercy Healthcare Management 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 explaining the reasons for the request. If the request on appeal is denied, that decision is final.

The ADA does not require Gramercy Healthcare Management to make the best possible accommodation, to reallocate essential job functions, or to provide personal use items (i.e., eyeglasses, hearing aids, wheelchairs etc.). An employee or job applicant who has questions regarding this policy or believes that he or she has been discriminated against based on a disability should notify Human Resources. All such inquiries or complaints will be treated as confidential to the extent permissible by law.

6. Religious Accommodation

Gramercy Surgery Center is dedicated to treating the religious diversity of all our employees equally and with respect. Employees may request an accommodation when their religious beliefs cause a deviation from the Company's dress code, schedule, basic job duties, or other aspects of employment. The Company will consider the request but reserves the right to offer its own accommodation to the extent permitted by law. Accommodations may include but are not limited to changes in current job conditions, a change in position, an exception to the dress code, paid/unpaid leave time etc. The Company will consider cost, the effect the accommodation will have on current established policies and the burden on operations, including other employees, when determining a reasonable accommodation. At no time will the Company question the validity of a person's belief.

Religious accommodation request forms are available from Human Resources

7. Drug & Alcohol-Free Workplace Policy

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

As used in this policy, the term "illegal drugs" includes, but is not limited to, marijuana, heroin, hashish, cocaine, crack, speed, methamphetamines, hallucinogens, and prescription depressants and stimulants not prescribed for current personal treatment by a licensed medical doctor.

The Company will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any Company employee, including themselves.

The Company may require any employee or all employees at any time, without any notice other than that contained in this policy, to undergo testing for alcohol, drugs, or other controlled substances as described in 21 U.S.C. 812, schedules I through V. The Company may conduct such tests randomly, after any or all accidents, or at any other time the Company chooses. The

Company may also conduct such tests based on reasonable suspicion. Reasonable suspicion includes but is not limited to, physical evidence of use, giving the appearance of being under the influence, the causing of an accident, or a substantial drop off in work performance. However, the decision to seek diagnosis and accept treatment for alcohol or other drug abuse is primarily the individual employee's responsibility. The Company's group insurance policy provides some coverage for treatment of drug and alcohol problems. For information about coverage, contact the carrier or Human Resources.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises) or while representing the Company, is strictly prohibited. Employees and other individuals who work for the Company also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work.

1. Employees who violate this policy will be discharged or otherwise disciplined. The refusal to submit to a drug or alcohol test as provided for in this policy, or refusal to sign a consent form, will subject the employee to termination and an applicant for ineligibility for hire.
2. The Company strictly prohibits employees from use or possession of alcohol during the work day or reporting to work under the influence of alcohol. Employees may be discharged or otherwise disciplined for being under the influence of alcohol while: (a) on duty (whether at Company premises or some other location), (b) at Company premises even if not on duty, (c) on Company-paid travel such as recruitment trips, conferences, trade shows and training classes, or (d) operating a vehicle owned or leased by the Company. Compliance with this paragraph is an essential qualification for all job assignments at the Company. (An exception to the alcohol prohibition contained in this paragraph exists if alcohol is served at a Company-sponsored event or at events not sponsored by the Company but related to Company business such as socializing events during a recruitment trip. At such events, including after-events socializing, employees may consume alcohol in moderation, but are responsible for knowing their limits and protecting the reputation of the Company).
3. In the event an employee chooses to consume alcoholic beverages in connection with a business function, the Company expects that employees will act responsibly and avoid excess. If an employee has any concerns that he/she is not capable of safely driving after such events, the Company will reimburse the cost of alternative transportation to ensure that the employee does not place themselves or others in danger. An employee, who is arrested and convicted for Driving Under the Influence while in the performance of company business, or when returning from a business function, is subject to disciplinary action up to and including termination.
4. Employees should advise the Company in writing when they report to work while taking a prescription drug that may affect their performance at work. The Company, of course, does not discipline employees for taking medications prescribed to them by their physicians. However, an employee's failure to disclose such treatment, particularly where it may create a safety risk, is grounds for disciplinary action up to and including termination. If the Company determines that

your prescribed over the counter medication does not pose a safety risk you will be allowed to work. If the prescribed over the counter medication does pose a safety risk to you or others, you will not be allowed to report to work under the influence of that medication, or consume that medication at work.

5. The Company may discharge or otherwise discipline an employee for off-the-job illegal drug use that could adversely affect an employee's job performance or jeopardize the safety of others.

6. Employees convicted under a criminal drug statute must report the conviction to the Company within five days after they receive it. Violation of this rule will be cause for immediate discharge.

Employees should report known or suspected violations of this drug-free workplace policy to Human Resources. Employees may request unpaid time off (or paid time off if they are eligible for it) to participate in a rehabilitation or treatment program. Employees who voluntarily request the Company's assistance in dealing with alcohol or other drug abuse problems will not be terminated because of such a request. However, a voluntary request for assistance will not protect the employee from the consequences of his or her prior or future violations of Company policy. Violation of this policy will result in disciplinary action, up to and including discharge.

PRE-EMPLOYMENT & EMPLOYMENT

1. Drug Testing

Gramercy Healthcare Management is determined to eliminate the use of illegal drugs, alcohol abuse, and controlled substances at our work sites. The purpose of this program is to improve job safety. This program is designed solely for the benefit of our employees to provide reasonable safety on the job and protection from offending individuals. In addition, this program attempts to meet our responsibility to the public, whom we serve.

Drugs and alcohol tests may be administered under the following conditions as well as in those mentioned above:

- When an employee shows signs of impairment on the job;
- After any accident or occurrence that results in an injury on the job as defined by the Occupational Safety and Health Administration;
- After any vehicular accident when it appears that the employee might reasonably have avoided the accident or minimized the consequences, but did not do so.

Employees who refuse to submit to drug and alcohol testing will be terminated.

All employees are required to provide a completed, satisfactory Health Status Evaluation as a condition of employment with GHM. No offer of employment will be extended until this requirement has been satisfied.

2. Driving License and Driving Record

Employees may from time to time be required to drive on company business. Therefore, at the time of hire, the Company may review the employee's driving record. An employee whose license is suspended or revoked, or who is convicted of a felony involving a traffic offense or

placed on felony probation or deferred adjudication for a traffic offense, must report this immediately in writing to Human Resources. Failure to report this may result in disciplinary action, up to and including, termination.

If at any time your job description and work duties are altered to require operation of a motor vehicle, the Company may review your driving record at that point also.

3. Introductory Period

Every new employee goes through an initial period of adjustment in order to learn about the Company and about his/her job. During this time the employee will have an opportunity to find out if he/she is suited to, and likes, his/her new position.

Additionally, the introductory period gives the employee's supervisor a reasonable period of time to evaluate his/her performance. The initial employment period is ninety days.

During this time, the new employee will be provided with training and guidance from his or her supervisor. The new employee may be discharged at any time during this period if his or her supervisor concludes that he or she is not progressing or performing satisfactorily. Under appropriate circumstances, the introductory period may be extended. Additionally, as is true at all times during an employee's employment with the Company, employment is not for any specific time and may be terminated at will, with or without cause and without prior notice.

In most cases training is done on an individual basis by the department manager. If you ever feel you require additional training, please consult your supervisor or department manager.

At the end of the introductory period, the employee and his or her supervisor may discuss his or her performance. Provided his or her job performance is "satisfactory" at the end of the initial employment period, he or she will continue in our employment as an at-will employee.

Nothing that occurs during or after this period should be construed as changing the nature of the at-will employment relationship.

4. Proof of Citizenship/Right to Work

All new hires and all current employees are required by federal law to verify their identity and eligibility to work in the United States. You will be required to complete a form I-9 on the date you accept your offer letter, or on the first day of your employment. If this form and verification of employment eligibility is not completed during the first three days of employment, we are required by law to terminate your employment. If you are currently employed and have not complied with this requirement, or your status has changed, please inform your supervisor or Human Resources.

5. Job Descriptions

Gramercy Surgery Center attempts to maintain a job description for each position. If you do not have a copy of a current job description you should request one from your supervisor. Job descriptions serve as an outline only. Due to the needs of the business, you may be required to perform job duties not within your written job description. Furthermore, the Company may have

to revise, add to, or delete from your job description according to company needs. On occasion, these revisions may need to be done without advance notice to the employee.

If you have any questions regarding your job description or scope of duties, please speak to your supervisor or Human Resources.

6. Employee Classifications

Based on the conditions of employment, employees of Gramercy Healthcare Management fall into the following categories:

Exempt employees are classified as such if their job duties are exempt from the overtime provisions of the Federal and State Wage and Hour Laws, under the Fair Labor Standard Act. Exempt employees are not eligible for overtime pay. Their salaries are calculated on a bi-weekly basis.

Non-Exempt employees receive overtime pay in accordance with our overtime policy. Their wages are calculated on an hourly basis.

- Exempt (not eligible to receive overtime)

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

If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for the Company. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform. If a salaried employee consistently works less than 37.5 hours a week, for an extended period of time, their salaried status may be subject to review.

Under federal and state law, your salary is subject to certain deductions. For example, unless state law requires otherwise, your salary can be reduced for the following reasons:

- Full-day absences for personal reasons.
- Full-day absences for sickness or disability.
- Full-day disciplinary suspensions for infractions of our written policies and procedures.
- Family and Medical Leave absences (either full- or partial-day absences).
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event you work less than a full week.
- Any full work week in which you do not perform any work.

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

In any work week in which you performed any work, your salary will not be reduced for any of the following reasons:

Partial day absences for personal reasons, sickness or disability. Your absence on a day because your employer has decided to close a facility on a scheduled work day. Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work. Any other deductions prohibited by state or federal law. However, unless state law provides otherwise, deductions may be made to your accrued leave for full- or partial-day absences for personal reasons, sickness or disability.

If you believe you have been subject to any improper deductions, you should immediately report the matter to your supervisor. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact HR Department or any other supervisor in the Company with whom you feel comfortable.

- Non Exempt (eligible to receive overtime)

a. Regular Full Time: Full time employees are classified as exempt or non exempt and work a regular schedule of 40 or more hours per week. They are eligible to receive benefits and accrue PTO.

b. Benefit Eligible Part Time: Part time employees are classified as exempt or nonexempt and work between 30-39 hours per week. Benefit eligible part time employees do not accrue PTO.

C. Regular Part Time: Regular part time employees are classified as exempt or non exempt and work less than 30 hours per week. They are not eligible to receive benefits and do not accrue PTO.

c. Seasonal/Temporary/Per Diem: A temporary employee is hired for a specified project or time frame and works an irregular schedule. A temporary employee in a nonexempt position is paid by the hour while a temporary employee in an exempt position is paid according to the terms of hire for that individual. Temporary employees do not receive any additional compensation or benefits provided by the Company. Any temporary employee who is extended an offer for a full-time, permanent position, after successfully completing at least 60 days of full time temporary employment with Gramercy Healthcare Management will be eligible for health benefits on the first day of the following month.

5. Transfers and Promotions

Gramercy Healthcare Management encourages employees to assume higher-level positions or lateral transfers for which they qualify. Gramercy Healthcare Management posts available jobs on the Company's website under career opportunities which allows an employee the opportunity to apply for certain positions within the Company.

Generally, employees must be in their job for at least one year of employment before applying for a change in position. In addition, employees must have a good performance, attendance and punctuality record. The CEO however reserves the right to transfer, promote, and reassign/reorganize duties and positions as it sees fit to support the business, regardless of length of service.

Each employee requesting a transfer will be considered for the new position along with all other applicants. Each transfer is judged on an individual basis, depending on the needs of both departments involved. All final decisions regarding transfers will be made by the hiring supervisor, in conjunction with Human Resources.

Employees who wish to apply for a transfer should discuss it first with their supervisor or Human Resources so that it may be determined if their skills fit the requirements of the desired job. Employees should also feel free to discuss their career aspirations with their supervisor or Human Resources at any time.

6. Employment Verification and Reference Checks

All inquiries regarding a current or former Gramercy Healthcare Management employee must be referred to Human Resources.

Should an employee receive a written request for a reference, they should refer the request to Human Resources for handling. No employee may issue a reference letter or letter of recommendation to any current or former employee. Only permission of the CEO will be able to allow an exception. Under no circumstances should any Gramercy Healthcare Management employee release any information about any current or former employee over the telephone.

All telephone inquiries regarding any current or former employee of Gramercy Healthcare Management must be referred to Human Resources.

In response to an outside request for information regarding a current or former Gramercy Healthcare Management employee, Human Resources will furnish or verify only an employee's name, dates of employment, and job title.

No other data or information regarding any current or former employee, or his/her employment with Gramercy Healthcare Management, will be furnished unless the employee authorizes Gramercy Healthcare Management to furnish this information in a writing that also releases the Company from liability in connection with the furnishing of this information or Gramercy Healthcare Management is required by law to furnish any information.

PAYROLL PRACTICES

1. Performance Management

In order to attract and retain a highly qualified and competent work force, Gramercy Healthcare Management has instituted a performance management program to evaluate employees in a fair and equitable manner based upon demonstrated job performance, and in accordance with its Equal Employment Opportunity policy.

Through this program employees will receive constructive work reviews designed to address performance and skill developmental needs and interests.

Types of Evaluations

a). ***Annual Employee Performance Supervisor Review, and Annual Employee Performance Self Review Forms***

To be used on these occasions:

- At the end of our fiscal year
- Or outside the above guidelines and based on significant improvement or decline in performance

b) ***90 Day Performance Review Form***

- Upon Completion of 90 days of Employment (Probationary Period)
- 90 days after effective date of a transfer/promotion
- At the end of a disciplinary probation period/performance improvement period

c) ***Disciplinary Probation/PIP Performance Review Form***

- Upon completion of a disciplinary probation or Performance Improvement Plan period

2. Payment of Wage

All employees' pay depends on a wide range of factors, including but not limited to pay scale surveys, individual effort, profit, skills and qualifications, and market forces. If you have any questions about your compensation please speak to your supervisor or Human Resources.

Paydays are bi-weekly and paid on Wednesday every month. If the normal payday falls on a non-banking day, the payday will be last normal banking day prior to the scheduled payday. Overtime payment, which is included with the non-exempt employee's base salary payment, is also paid semi-monthly with such payment covering hours worked in the prior semi-monthly period. (For additional explanations see the section on overtime policy and procedures.)

Gramercy Surgery Center has an ongoing commitment to being as efficient and green as possible. All paystubs, apart from live checks, will be available electronically through an employee portal that is administered by Prestige, our Employer Administrators. Employees are responsible for checking their own paystubs for errors and reporting such errors to their supervisor or Human Resources.



Employees may be paid by check or through direct deposit of funds to either a savings or checking account at their bank of choice (providing the bank has direct deposit capability). To

activate direct deposit, a Direct Deposit Authorization form from Human Resources may be obtained and completed for processing. The completed form must then be returned with a voided check to Human Resources. Due to banking requirements it may take up to two pay periods for activation of the Direct Deposit. We encourage all staff to join us with our green initiative and sign up for direct deposit if at all possible.

In the event of a lost paycheck, Human Resources must be notified in writing as soon as possible before a replacement check can be issued.

In the event the lost paycheck is recovered and the Company identifies the endorsement as that of the employee, the employee must remit the amount of the replacement check to the Company within 24 hours of the time it is demanded.

A statement of earnings is given each pay period to employees indicating:

- Gross Pay, Statutory Deductions and Voluntary Deductions

The amount of Federal withholding is affected by the number of exemptions claimed on Form W-4, Employee's Withholding Allowance Certificate. If an employee's marital status changes or the number of exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to Human Resources.

3. Overtime

As a condition of employment, you may be requested and required to work beyond your regularly scheduled hours from time to time. Gramercy Healthcare Management will give as much notice as possible under the circumstances, but you may be required to work additional hours without advance notice at any time. If your personal affairs require that you be relieved of the potential for unscheduled work on any given day (or if you require a religious accommodation), you must request relief from unscheduled work as early as possible.

Non-exempt employees are eligible to receive overtime pay but may not work before hours, after hours, or during lunch, nor may they take work home without advance permission from their supervisor. Prior approval of a supervisor, however, is required before any non-exempt employee works overtime. All employees are expected to accurately report their overtime. No supervisor has authority to require, encourage, or allow a non-exempt employee to work unreported overtime. If you are a non-exempt employee and a supervisor requires or encourages you to work unreported overtime, please report this immediately to Human Resources.

Any non-exempt employee who works overtime will be compensated at the rate of one and one-half times (1.5) his/her normal hourly wage for all time worked in excess of forty (40) hours each week, unless otherwise required by law.

Exempt employees are expected to work as much of each workday as is necessary to complete their job responsibilities. No overtime or additional compensation is provided to exempt employees.

4. Time Records

The hours worked of all employees is recorded daily by the time and attendance program with all hours worked submitted weekly to their immediate supervisor for acknowledgement of hours worked. All employees must record the time they arrived/departed and lunch breaks, each day, using his or her bar coded-badge. Each employee is responsible only for his or her own recordkeeping.

Our attendance records are Company records, and care must be exercised in recording the hours worked, overtime hours, and absences. Employees are not to sign in or out for other employees. Violations of this policy may result in appropriate disciplinary action, up to and including termination.

5. Employee Records

To keep necessary Company records up to date, it is extremely important that you notify Human Resources of any changes in:

- Name and/or marital status
- Address and/or telephone number
- Number of eligible dependents, W-4 allocations
- Person to contact in case of emergency

Employees may also put all changes into effect themselves through their Prestige online portal.

6. Expense Reports

An employee might be asked to use out-of-pocket funds for business travel, entertainment or office expenses. Upon return from traveling or entertaining, the employee will be required to complete an expense reimbursement report. The employee must use the Expense Report Form and submit all transactions and itemized receipts accordingly. The employee will be reimbursed within 30 days after the expense reports have been approved.

All expense reports must be submitted no longer than 30 days after the expense is incurred. Expense reports submitted more than 45 days after the expense is incurred will not be accepted without the approval of the CEO/COO or the employee's supervisor.

Expense reports submitted after 60 days will not be accepted for reimbursement. Travel advances are available upon following request procedures. Travel Advances must be accounted for with original itemized receipts within one week of the return from a trip. Failure to meet the 5 business day's deadline will result in forfeit of future travel advances.

7. Garnishing of Wages or Deductions

Gramercy Healthcare Management may deduct money from your payroll for reasons that fall into the following categories:

- Employee portion of the health premiums for Gramercy Healthcare Management's benefit plans plan that you have elected to participate in;
- If you receive an overpayment of wages for any reason, repayment of such overpayments to Gramercy Healthcare Management;

- The cost of repairing or replacing any Gramercy Healthcare Management supplies, materials, equipment, money or other property that you damage (other than normal wear and tear), lose, fail to return or take without appropriate authorization from Gramercy Healthcare Management during your employment;
- If you take paid time off benefits in advance of the date you would normally be entitled to it and you separate from Gramercy Healthcare Management before accruing time to cover such advance leave, the value of such leave taken in advance that is not so covered;

8. Salary Advances

Gramercy Healthcare Management does not permit advances on paychecks or against accrued paid time off.

EMPLOYMENT GUIDELINES

1. Dependability

Because the success of Gramercy Healthcare Management depends heavily upon its employees, it is important that employees attend work as scheduled. Dependability and a commitment to do the job right are essential at all times. As such, employees are expected at work for all scheduled workdays and during all scheduled work hours and to report to work on time. Moreover, an employee must notify his or her supervisor or Human Resources in writing, as far in advance as possible, but not later than one hour before their scheduled starting time if he or she expects to be late or absent. To the extent permitted by law, absenteeism and lateness lessen an employee's chances for advancement and may result in termination.

2. Hours of Work

The Company's normal business hours are 9:00 a.m. to 5:00 p.m with a 30 minute unpaid lunch period. You are expected to adhere to this schedule unless your supervisor has expressly agreed that you may work a different schedule. Lunch hours should be coordinated within each department such that there is always phone coverage. Supervisors should work out a staggered system within the department such that someone will always be available in order to accommodate the needs of the business. Should you know in advance that you may not be able to take your scheduled break period you should let your supervisor know; in addition, notify your supervisor if you were unable or prohibited from taking a rest or meal period at the soonest opportunity. All employees are required to clock in and out for break periods. Failure to do so can lead to discipline, up to and including termination.

3. Attendance

You are expected to make a commitment to be at work on a regular basis. All absences should be approved by your supervisor, as described in the Paid Time Off Policy. In case of conflicting absent requests, the selected absent period will be granted to the employee who first put in the request, though other factors may be taken into consideration. All other time off must be reported as soon as possible and no later than when the time off begins. When calling in to report your absence, you must speak personally to your immediate supervisor or Human Resources. Do not leave a message with the operator or a co-worker, unless you have tried several times and unable to reach your supervisor or Human Resources.

In the event you miss more than three (3) consecutive work days due to illness or injury, a doctor's release is required before you will be allowed to return to work.

If you are hospitalized, you must present the Company with a doctor's release before you will be allowed to return to work. A violation of this policy will result in appropriate discipline, up to and including termination.

If an employee fails to show up for work or call in with an acceptable reason for absence for a period of three consecutive days, he or she will be considered to have abandoned his or her job and voluntarily resigned from the company.

Personal Visits and Telephone Calls

Disruptions during working time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during lunch or break time. For safety and security reasons, employees are required to notify their supervisors before the arrival of a personal guest or visitor and accompany them in our facilities.

4. Tardiness

Tardiness is defined as arriving to work after the time established by the employee's supervisor. Three events of tardiness in a 30-day period are considered excessive and will result in disciplinary action, up to and including termination.

5. Appearance & Dress Code

Gramercy Healthcare Management expects employees to maintain a neat, well-groomed appearance at all times. Gramercy Healthcare Management has a business casual dress code. You are expected to use good judgment in determining how to dress appropriately, especially when we have clients visiting. On days when clients or customers are expected, we ask that all employees dress in 'business professional' attire.

Inappropriate attire includes but is not limited to the following:

- No Denim jean pants, skirts or shorts.
- No flip flops or open toed shoes.
- No sweatshirts/sweat suits
- No T-Shirts with logos
- No leggings, stretch pants, spandex, etc. (or any type of tight pant).
- No overly tight or short skirts
- No excessively low cut, tight revealing tops
- No belly shirts (midriff, half shirts w/stomach exposed)
- No tank tops, halter tops or muscle shirts
- No clothing with foul language or obscene images
- No torn clothing
- No exposed tattoos

If any employee reports to work improperly dressed, the supervisor shall verbally inform the employee of this action as a first offense; and a repeated violation of this policy will be cause for disciplinary action. If you are uncertain about acceptable dress code for work, please ask your supervisor or Human Resources.

6. Smoking

Unless forbidden by local or state laws, smoking is permitted outside the office building, in designated areas only. Smoking in any Company building or vehicle is absolutely prohibited.

This applies with equal force before work, during work, and after hours. If you must smoke, please do so on your lunch break and make sure you are not in a Company building or vehicle and are at least 50 feet away from the building. Violation of any part of this policy may result in discipline, up to and including termination.

7. Weapons

The Company expressly prohibits bringing any weapons, whether concealed or unconcealed, into the workplace. This policy applies to employees, independent contractors, consultants, trainees, interns, work and travel students, vendors, and all other guests of the Company. It includes weapons carried on the person, in materials carried onto the premises, and in a vehicle. For purposes of this policy, the term “weapon” means all guns, knives, chains larger than jewelry size, brass knuckles, explosives, or other items which could reasonably be construed as and which, in the Company’s sole judgment, are deemed to be a threat to human life or safety. To the extent permitted by law, employees and visitors are prohibited from carrying weapons onto Company premises.

8. Workplace Violence Prevention Policy

The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company and personal property.

We do not expect you to become an expert in psychology or to physically subdue a threatening or violent individual. Indeed, we specifically discourage you from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage you to exercise reasonable judgment in identifying potentially dangerous situations.

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing

weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Company policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; demonstrating a propensity to behave and react irrationally

In order to achieve the Company’s goal of providing a workplace that is free from violence, it needs the support of all employees. Acts of violence will not be tolerated. Employees are required to report any incident involving an act or threat of violence immediately to their supervisor, or Human Resources. The supervisor must immediately report the incident to Human Resources so that the matter can be investigated. All complaints will be fully investigated. The Company will promptly respond to any incident or suggestion of violence. Violation of this policy will result in disciplinary action, up to and including immediate discharge.

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee **WILL NOT BE TOLERATED**. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation.

Procedures for Reporting a Threat

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

If the Company determines, after an appropriate good faith investigation, that someone has violated this policy, the Company will take swift and appropriate corrective action. If you are the recipient of a threat made by an outside party, please follow the steps detailed in this section. It is important for us to be aware of any potential danger in our offices. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.

9. Anti-Nepotism Policy

Members of an employee's immediate family will be considered for employment on the basis of their qualifications. Immediate family may not be hired, however, if employment would:

- (a) Create a supervisor/subordinate relationship with a family member;
- (b) Have the potential for creating an adverse impact on work performance; or
- (c) Create either an actual conflict of interest or the appearance of a conflict of interest.

This policy must also be considered when assigning, transferring, or promoting an employee. For the purpose of this policy, immediate family includes: spouse, child, or sibling. This policy also applies to romantic relationships. Employees who become immediate family members or establish a romantic relationship may continue employment as long as it does not involve any of the above.

If one of the conditions outlined should occur, attempts will be made to find a suitable position within Gramercy Healthcare Management to which one of the employees will transfer. If employees become immediate family members or establish a romantic relationship, the Company will make reasonable efforts to assign job duties so as to minimize problems of supervision, safety, security or morale. If accommodations of this nature are not feasible, the employees will be permitted to determine which of them will resign. If the employees cannot make a decision, the Company will decide in its sole discretion who will remain employed.

10. Romantic or Sexual Relationships

The organization strongly believes that an environment where employees maintain clear boundaries between employee personal and business interactions is most effective for conducting business. Although this policy does not prevent the development of friendships or romantic

relationships between coworkers, it does establish very clear boundaries as to how relationships will progress during work hours and within the working environment. Individuals in Management positions or other influential roles are subject to more stringent requirements under this policy due to their status as role models, access to sensitive information and their ability to influence others.

- a. During work time and in working areas employees are expected to keep personal exchanges limited so others are not distracted or offended by such exchanges and so that productivity is maintained.
- b. During non working time, such as lunches, breaks and before and after work periods, employees are not precluded from having appropriate personal conversations in non-work areas so long as their conversations and behaviors could in no way be perceived as offensive or uncomfortable to a reasonable person.
- c. Employees are strictly prohibited from engaging in physical contact that would in any way be deemed inappropriate to a reasonable person while anywhere on company premises, whether during working hours or not.
- d. Employees who allow personal relationships with coworkers to affect the working environment will be subject to the appropriate provisions of the company disciplinary policy which may include counseling for a minor problem. Failure to change behavior and maintain expected work responsibilities is viewed as a serious disciplinary matter.
- e. Employee off-duty conduct is generally regarded as private, as long as such conduct does not create problems in the workplace. An exception to this principle, however, is romantic or sexual relationships between supervisors and subordinates, which are absolutely forbidden.
- f. Supervisors, executives or anyone else in sensitive or influential positions must disclose the existence of any relationship with another coworker that has progressed beyond a platonic friendship. Disclosure may be made to the immediate supervisor or the HR Manager. This disclosure will enable the organization to determine whether any conflict of interest exists because of the relative positions of the individuals involved.
- g. Where problems or potential risks are identified the organization will work with the parties involved to consider options for resolving the problem. The initial solution may be to make sure that the parties involved no longer work together on matters where one is able to influence the other or take action for the other. Matters such as hiring, firing, promotions, performance management, compensation decisions, financial transactions, etc. are examples of situations that may require reallocation of duties to avoid any actual or perceived reward or disadvantage.
- h. In some cases other measures may be necessary such as transfer to other positions or departments.



- i. Refusal of reasonable alternative positions, if available, will be deemed a voluntary resignation.
- j. Continued failure to work with the organization to resolve such a situation in a mutually agreeable fashion may ultimately be deemed insubordination and therefore serve as a cause for immediate termination. The organization's disciplinary policy will be consulted to ensure consistency, however, before any such extreme measures are undertaken.
- k. The provisions of this policy apply regardless of the sexual orientation of the parties involved.
- l. Where doubts exist as to the specific meaning of the terms used above, employees should make judgments on the basis of the overall spirit and intent of this policy.
- m. Any employee who feels they have been disadvantaged as a result of this policy, or who believes this policy is not being adhered to, should make their feelings known to the HR Manager or other designated individual.

11. Safety

At Gramercy Healthcare Management, we recognize safety as everyone's job. If you sustain an injury or have an accident, you must report it to your supervisor immediately, even if you believe it to be minor. Likewise, if you notice an unsafe or hazardous condition, you should report it immediately to any supervisor within the Company. The manager or supervisor should then report it immediately to Human Resources. If you notice a situation, which has the potential of becoming unsafe or hazardous, please report it accordingly.

If a condition poses an immediate threat to yourself or others, please safeguard the area; however, do not endanger yourself in doing so. Immediately notify a supervisor of the situation.

The following general guidelines should also be reviewed and followed, if applicable:

- Be aware and conscious of surroundings at all times, i.e., sidewalk elevation, debris on ground, doorway thresholds, wet/polished floors, and warning signs.
- When lifting heavy objects, be certain to follow the proper procedure: bend the knees and lift with legs, not with the back.
- When transporting larger items, use a dolly. (Hand carrying could obstruct vision of walkway area).
- When not in use, file cabinet and desk drawers should be closed to avoid accidental tripping or falling over the open drawers.
- When accessing the lower file cabinet drawers, do not bend from the waist. Instead, use a kneeling or squatting position.
- When traveling on Company business, never ride with an unsafe driver. If you have concerns whether a person is a safe driver, do not ride with him or her. If you observe a co-worker driving dangerously on Company business, please notify Human Resources immediately.
- All electrical/phone cords should run along walls and not across walk way areas.
- When using pointed or sharp instruments, exercise caution. When not in use, such items should be kept in proper storage areas.

If an employee is injured on the job, Gramercy Healthcare Management provides coverage and protection in accordance with its Worker's Compensation insurance policy. When an injury is sustained while at work, it must be reported immediately to the employee's supervisor, who in turn will notify Human Resources of the incident.

Failure to report accidents is a serious matter as it may preclude an employee's coverage under Worker's Compensation Insurance.

12. Use of Company Credit Cards

Every employee in possession of a Company issued credit card will adhere to the strictest guidelines of responsibility for the proper protection and use of that card. The conditions under which the employee is entitled to use the credit card will be presented to him/her in writing upon receipt of the card. Personal and unauthorized purchases are absolutely prohibited. Company issued cards must be reported immediately to your supervisor or Manager.

Failure to follow this policy may result in discipline up to and including termination.

13. Alternate Work Locations

From time to time employees may need to report to one of our various Company locations to perform job duties. When a supervisor schedules an employee at an alternate worksite he must promptly inform the Administrative Assistant so that she can update the staff location calendar. Failure to comply with this policy may lead to discipline, up to and including termination.

INFORMATION TECHNOLOGY

1. Electronic Communication Systems Use

This policy sets forth the rules that apply to all employees, trainees, interns, work/travel students, independent contractors, and other persons using the following Company property or property used for Company business: electronic, computer network, and telephone communication systems, including but not limited to voice mail, e-mail, all business equipment (including laptop computers loaned to employees for their use at home), fax machines, computer files, software and similar property, all communications and all records, files, software, computer accessories and electronic communications or messages transmitted, received, or contained in such systems, (collectively the "Systems").

The Systems belong to the Company and are essential to the Company's ability to communicate with its clients and others. Employees may use the Systems for personal use on a limited basis but must exercise good judgment regarding the reasonableness of personal use. The Company may, in its sole discretion, determine when an employee's non-business use of the Systems becomes excessive, and if it makes such a determination, prohibit an employee from any future non-business use of the Systems.

A. Instant Messages: Instant Messages (IMs) are acceptable for business reasons. Personal uses of IMs are permitted on a limited basis but should not distract the employee from his or her duties. Employees may only use their company assigned IM while at work and only to communicate with their coworkers. They may not use their personal IM accounts or use their work account to communicate with external parties.

Each employee is responsible for information entered into or maintained on the Systems assigned to that employee. If an employee is given a user name and password for any of the Systems, he or she will be held responsible for all activity conducted under that user name or password. Each employee should not share his or her password with anyone and responsible for notifying the Systems Administrator promptly if he or she has any reason to believe his or her user name or password has been compromised.

The Company reserves the right to access, examine, and monitor the Systems and all messages created, received, or sent on the Systems. This right may be exercised at any time and without notice to the extent authorized by law. By using the Systems, an employee expressly consents to such access, examination, and monitoring. **NO EMPLOYEE OR OTHER SYSTEMS USER SHOULD EVER ASSUME OR EXPECT THAT A MESSAGE SENT OR RECEIVED ON THE SYSTEMS IS PRIVATE.** An employee should never put any message on the Systems that he or she would be embarrassed to have read by any employee at Gramercy Healthcare Management.

Employees should use voice mail and e-mail as cautiously as they would use any more permanent communication medium such as a memorandum or letter.

Employees must realize, for example, that voice mail and e-mail messages:

- May be subpoenaed by opposing parties in litigation
- May be retrieved even after “deletion”
- May be saved and read by third parties
- May be forwarded by recipients
- May, through system or user error, be forwarded to unintended recipients
- May be accessed by authorized Company personnel for business purposes

Employees and other Systems users should also be aware that the Company’s telephone systems may automatically maintain records of calls received and placed and the length of such calls.

The following uses of the Systems are strictly prohibited:

1. The Systems must not ever be used to create, store, or access messages, jokes, or other material containing racial slurs, sexual remarks, gender-specific comments, or any other comment that offensively addresses someone’s race, age, sex, religious or political beliefs, national origin, color, marital or veteran status, disability, or physical attributes, or which violates Gramercy Healthcare Management’s Equal Employment Opportunity Policy and its policies against sexual or other harassment.
2. The sending of messages containing threats of violence, descriptions of violence, or references to weapons is strictly forbidden;
3. The Systems must not be used to ridicule co-workers, customers, vendors, or anyone else;
4. The Systems must not be used to solicit for commercial ventures, religious or political causes, outside organizations, or other non-business matters not related to Company business or business development for the Company;

5. All e-mail messages on the Systems are confidential and proprietary to the Company and must not be disclosed to third parties outside the Company unless there is a clear business need for the disclosure;
6. The Systems must not be used to upload or download copyrighted materials, trade secrets, proprietary financial or client information, or similar materials without prior authorization from the owner of the materials;
7. The Systems must not ever be used in violation of copyright and trademark laws, or for any other illegal activity. The unauthorized transfer of licensed software from one personal computer to another is strictly forbidden.
8. Files created by employees remain the intellectual property of Gramercy Healthcare Management. Except for authorized use at home or on travel for current projects, possession of copies for any future use is strictly forbidden. The employee must provide the Company access to all Systems immediately upon request.

Employees should not attempt to gain access to another employee's messages without the latter's permission. Notwithstanding the Company's right to retrieve, read, and disclose any voice or electronic mail messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient. Except as specifically authorized by the Company in writing, employees are not authorized to retrieve or read any e-mail messages that are not sent to them.

The Company may delete any program, file, voice mail, or e-mail on the Systems at any time for any reason, with or without notice. The Company is not responsible for any damage associated with the removal of files, programs, voice mails, or e-mails.

Any product that requires registration must be registered in the Company's name. Employees must not install any software or hardware on the Company's Systems unless the software or hardware is owned, authorized by, and registered to the Company.

All Company property, including any Systems property, issued to an employee must remain with the Company or be returned to the Company upon termination of employment, whether such termination is voluntary or involuntary. Terminated employees must provide access to all systems to their supervisors upon leaving.

All employees must sign the acknowledgment page at the end of this handbook thereby agreeing to this policy as a condition of employment or continued employment. Any person who discovers a violation of this policy must immediately notify the COO, CEO or Human Resources. Any employee who violates this policy will be subject to discipline, up to and including discharge.

2. Policy on Computers and Accessory Equipment Belonging to Employees

Portable computers belonging to employees generally should not be brought onto Gramercy Healthcare Management premises due to concerns of theft, insurance coverage, liability, and protection of proprietary information. Exceptions to this policy must be requested through an employee's supervisor and must be due to work-related needs. In the case of approval by a

supervisor, it is the obligation of the employee or contractor to provide insurance coverage for his/her personal computer.

The employee assumes all responsibility for personal computer accessory equipment such as computer head phones brought onto Gramercy Healthcare Management premises. It is the obligation of the employee or contractor to provide insurance coverage for his/her personal computer Accessories. Employees may only use an approved home computer and accessories for non-work related matters during working hours on a limited basis as stated previously in this policy.

Personal Telephone Usage: The Company recognizes that employees may need to make or receive personal calls from time to time. However, these calls can be disruptive to business, both in their rings, the content and also in the time they take away from work. Thus, non-work related outgoing and incoming calls should be limited in volume and duration.

Cell Phones: The policy regarding personal phone usage applies equally to a personal cell phone.

All employees that use either company or personal wireless phones at work are expected to be professional and conscientious at all times. The following policies strictly apply to the use of both company and personal wireless phones at work. Failure to comply with one or many of these policies will lead to discipline, up to and include immediate dismissal. This does not in any way limit the “at will” nature of your employment or create a contractual employment relationship between you and the company.

- (1) Excessive personal calls or text messaging during business hours, regardless of the phone used, interferes with employee productivity and is distracting to others. **Frequent or lengthy phone calls or texts are not acceptable.** Additionally, employees should limit personal cell phone usage for personal reasons to **break or lunch times** to the maximum extent possible.
- (2) Employees should **speak quietly and reserve discussion of personal or intimate details over the phone for non work hours**
- (3) Personal or company cell phone use, even when permitted, **must never include language that is obscene, discriminatory, offensive, prejudicial or defamatory in any way (such as jokes, slurs and/or inappropriate remarks regarding a person’s race, ethnicity, gender, sexual orientation, religion, color, age or disability, or any other protected class).**
- (4) Employees should **turn off ringers or change ringers to “mute” or “vibrate”** during training, conferences, when meeting clients or serving customers, and if the employee shares a work place with others.
- (5) The use of cell phones for/in any of the following situations is **absolutely prohibited** and infractions will be dealt with seriously:
 - a. The use of personal cell phones for sensitive business purposes, and for the transmission of sensitive information regarding the company, our patients, our clients, or other employees of the company. Staff may communicate non sensitive business information to each other by use of cell phones, to enable efficient workflow and improved coordination. However, using personal cell phones for these limited business purposes, should not be done where it interferes



- with job function, patient care, or workplace safety and such cell phone use remains prohibited in clinical areas unless in case of emergency.
- b. The use of company cell phones for personal purposes or in a way that violates any intellectual property, discrimination or other laws of NYC, NYS and the United States
 - c. The use of any cell phones, whether personal or company owned is absolutely forbidden:
 - i. In sight of any clients or patients
 - ii. In meetings or training seminars unless absolutely necessary to (1) respond to an emergency situation or; (2) perform a vital and time sensitive job related function
 - iii. When providing any level of patient care or when interacting with a patient for any other reason
 - iv. While in the Operating Room or Procedure Room at any time, whether or not a case is ongoing. See “Operating Room & Clinical Area Phone Protocols” for further guidelines.
 - d. The use of personal camera’s or the cell phones camera function during work time is absolutely prohibited in order to protect the privacy of patients, employees, clients or any other persons who may be present at any of our locations.
- (6) Supervisors and employees may use their personal cell phones to carry out interactions relating to work hours and staff scheduling, but no details regarding work content, patients etc should be transmitted through this medium, unless the employees and supervisors are using their password protected company email on their cell phone.

Operating Room & Clinical Area Phone Protocols

From time to time you may need to visit the clinical areas of our sister company and client, Gramercy Surgery Center. It is Gramercy Healthcare Management policy that cell phone use is absolutely prohibited in all clinical areas, including the nurses’ station, PACU bays, pre-op areas, operating rooms and procedure rooms. There is an emergency cell phone located in the nurses’ station. This is the only cell phone that it is permissible to use in the clinical areas and its use is restricted to making 911 or other emergency calls.

The prohibition of use of a cell phone by any member of staff in the operating room or in the procedure room is indispensable to patient safety, risk management and workplace safety. Should a member of staff need to be contacted while they are in the operating or procedure rooms, the only acceptable method of making this communication is through the two way radios, or by directly calling the operating room or procedure room phones. In any event, staff members who are assisting in ongoing cases in either the operating room or the procedure room, should not be disturbed unless in the case of an emergency.

Any violations of these Operating Room & Clinical Area Phone Protocols will lead to discipline, up to and including immediate termination.

3. Photos and Audiovisual Recordings of Employees

In connection with its marketing or human resource activities, the Company may photograph its employees and/or make an audio, visual or audio-visual recording of any employee presentation made in connection with employment by the Company. Participating in such photographs and recordings when requested to do so is considered a job duty of every employee at the Company.

The Company may use one or more employees as subjects in making a video production of any kind, with or without accompanying sound track and/or in making a purely audio or visual production of any kind. The Company may use such photographs and/or any such purely audio or visual productions in connection with any advertising or promotional material that the Company may see fit. An employee who objects to this paragraph should provide his or her supervisor and Human Resources with written notice of objection within 10 business days after the employee signs the acknowledgment page for this handbook. If no such written notice is received, the employee will be deemed to have consented to this paragraph.

4. Audio Recording Policy

It is a violation of Gramercy Healthcare Management policy to record conversations with a recording device unless prior approval is received from Human Resources Manager, the CEO or all parties to the conversation give their consent.

The purpose of this policy is to eliminate a chilling effect on the expression of views that may exist when one person is concerned that his or her conversation with another is being secretly recorded. This concern can inhibit spontaneous and honest dialogue especially when sensitive or confidential matters are being discussed. Violation of this policy will result in disciplinary action, up to and including termination.

5. Internet Use Policy

Employees will be provided with access to the Internet to assist them in performing their jobs. The Internet can be a valuable source of information and research. In addition, e-mail can provide excellent means of communicating with other employees, our customers and clients, outside vendors, and other businesses. Use of the Internet, however, must be tempered with common sense and good judgment. If you abuse your right to use the Internet, you may be subject to disciplinary action, including possible termination, and civil and criminal liability.

A. Duty not to waste computer resources: Employees must not deliberately perform acts that waste computer resources or unfairly monopolize resources to the exclusion of others. These acts include, but are not limited to, sending personal mass mailings or chain letters, spending excessive amounts of time on the Internet, playing games during work hours, printing multiple copies of personal documents, or otherwise creating large volumes of network traffic.

B. No expectation of privacy: The computers and computer accounts given to employees are to assist them in performance of their jobs. Employees should not have an expectation of privacy in anything they create, store, send, or receive on the assigned Systems.

C. Monitoring Systems usage: The Company has the right, but not the duty, to monitor any and all of the aspects of its Systems, including, but not limited to, monitoring sites visited by employees on the Internet, reviewing material downloaded or uploaded by users to the Internet, and reviewing e-mail sent and received by users.

D. Blocking of inappropriate content: The Company may use software to identify inappropriate or sexually explicit Internet sites. Such sites may be blocked from access by Company networks. In the event you nonetheless encounter inappropriate or sexually explicit material while browsing the Internet, immediately leave the site.

E. Illegal copying: Employees may not illegally copy material protected under copyright law or make that material available to others for copying. You are responsible for complying with copyright law and applicable licenses that may apply to software, files, graphics, documents, messages, and other material you wish to download or copy. You may not agree to a license or download any material for which a registration fee is charged without first obtaining the permission of the IT department.

F. Virus detection

Files obtained from sources outside the Company, including disks brought from home; files downloaded from the Internet or other online services; files attached to e-mail; and files provided by customers or vendors may contain dangerous computer viruses that may damage the Company's computer network. Employees should never download files from the Internet, accept e-mail attachments from outsiders, or use disks from non-Company sources, without first scanning the material with Company-approved virus checking software. If you suspect that a virus has been introduced into the Company's network, notify the IT Manager immediately.

6. Wireless Phones at Work

All employees that use wireless phones for the company or for personal use at work are expected to be professional and conscientious at all times. Employees are expected to exercise the same discretion in using personal cell phones as is expected for the use of company phones. Excessive personal calls or text messaging during the business hours, regardless of the phone used, can interfere with employee productivity and be distracting to others. Employees are expected to limit personal calls during business hours. Gramercy Healthcare Management will not be liable for the loss of personal wireless devices brought into the workplace.

After-hour Contact Information

All Gramercy Healthcare Management supervisors are expected to provide a wireless phone number that is accessible after-hours for emergencies. The number will be assessable by the immediate supervisor or Human Resources.

7. Protecting Company Equipment

Employees in possession of company equipment such as cellular phones and laptops are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the equipment for return or inspection.

Employees unable to present the equipment in good working condition within the time period requested (for example, 24 hours) may be expected to bear the cost of a replacement. Employees who separate from employment with outstanding debts for equipment loss or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss.

8. Internal Investigations and Searches

From time to time, Gramercy Healthcare Management may conduct internal investigations pertaining to security, auditing or work-related matters. Employees are required to cooperate fully with and assist in these investigations if requested to do so.

Whenever necessary, in the Company's discretion, work areas (i.e., desks, file cabinets, etc.) and personal belongings (i.e., brief cases, handbags, etc.) may be subject to a search without notice. Employees are required to cooperate. The Company will generally try to obtain an employee's consent before conducting a search of work areas or personal belongings, but may not always be able to do so.

9. Social Networking Policy

Whether or not a Gramercy Healthcare Management employee chooses to create or participate in Social Media (defined as blog, wiki, Facebook, Twitter, Tumblr, Google +, FourSquare, or any other form of online Social networking and/or online publishing or discussion) professionally or personally is his or her own decision. These emerging technologies and online collaboration platforms are fundamentally changing the way Gramercy Healthcare Management employees work and engage with each other, clients and partners and ultimately reflect Gramercy Healthcare Management as a company. We encourage using these tools to communicate but ask that you do so in a way that will not jeopardize your employment status and/or harm the reputation of Gramercy Healthcare Management. If you do choose to participate in Social Media, you must practice responsible engagement and dialogue. Keep in mind the purpose of Social Media in the workplace:

- **To learn:** Gramercy Healthcare Management believes in the importance of open exchange and learning.

- **To contribute:** Gramercy Healthcare Management as a business, as an innovator and as a global citizen who makes important contributions to the world, to the future of business and technology, and to public dialogue on a broad range of societal issues.

- **To share:** As our business activities increasingly focus on the provision of transformational insight and high-value innovation - it becomes increasingly important for Gramercy Healthcare Management and its employees to share with the world the exciting things we're learning and doing, and to learn from others. Social Media is not one-on-one communications platform, but rather in mass of communications channel and almost everything we say and do in Social Media can be tracked, searched and visible to the online community. As employees of Gramercy Healthcare Management it is of Gramercy Healthcare Management's interest and your own interest to be aware of and participate in this space responsibly and in accordance to these regulations and comply with the following guidelines below:

A. Social Media Dos:

- **Do protect your privacy:** Employees are personally responsible for the content they publish on blogs, wikis or any other form of user-generated media. Be mindful that what you publish will be public for a long time protect your privacy and use privacy settings whenever necessary to protect your content from being searched or accessed by unnecessary parties.

- **Do speak on behalf of yourself and not Gramercy Healthcare Management:** If you publish content to any website outside of Gramercy Healthcare Management and it has something to do

with work you do or subjects associated with Gramercy Healthcare Management, use a disclaimer such as this: “The postings on this site are my own and don’t necessarily represent Gramercy Healthcare Management’s positions, strategies or opinions.”

- Do be aware of your association with Gramercy Healthcare Management in online Social networks: If you identify yourself as a Gramercy Healthcare Management employee, ensure your profile and related content is consistent with how you wish to present yourself with colleagues and clients. Please use professional language and proper grammar when writing about Gramercy Healthcare Management.

- Do use copyright, fair use and financial disclosure laws at all times: For Gramercy Healthcare Management’s protection and well as your own, it is critical that you show proper respect for the laws governing copyright and fair use of copyrighted material owned by others, including Gramercy Healthcare Management’s own content.

- Do respect your audience: Don’t use ethnic slurs, personal insults, obscenity, or engage in any conduct that would not be acceptable in Gramercy Healthcare Management’s workplace. You should also show proper consideration for others’ in topics that may be considered objectionable or inflammatory—such as cultural differences politics and religion.

- Do use your best judgment: Remember that there are always consequences to what you publish. If you’re about to publish something that makes you even the slightest bit uncomfortable, review the suggestions above and think about why that is. If you’re still unsure, and it is related to Gramercy Healthcare Management business, feel free to discuss it with your supervisor and/or the marketing team.

B. Social Media Don’ts:

- Don’t provide Gramercy Healthcare Management’s or another’s confidential or other proprietary information: Ask permission to publish or report on conversations, photos or any other content that is meant to be private or internal to Gramercy Healthcare Management. For example, ask permission before posting someone’s picture in a Social network or publishing in a blog a conversation that was meant to be private.

- Don’t cite or reference Gramercy Healthcare Management, its employees’ or partners without a purpose. All matters related to the business of Gramercy Healthcare Management in Social media should come from an official representative of Gramercy Healthcare Management speaking on behalf of the company. If you doubt whether or not content matter is confidential or questionable, please consider the purpose and discuss with the marketing team before posting.

- Do not speak on behalf of Gramercy Healthcare Management: Only designated representatives are allowed to respond to participants, host companies and partners in public forums. If you see a question, comment or statement that needs addressing, please notify the marketing department immediately.

- Don’t speak negatively about Gramercy Healthcare Management or shine Gramercy Healthcare Management in a negative light: Remember the golden rule in Social media, if you don’t have something nice to say, don’t say it at all.

- Don't pick fights: In a world of debates and online discussions you are entitled to your own opinion but do not say anything that would cause unnecessary controversy.
- Don't forget your day job. You should make sure that your online activities do not interfere with your job or commitments to customers.

Abuse of Social Media:

Any Social media networking activity that adversely affects your performance, Gramercy Healthcare Management reputation, brand, or Gramercy Healthcare Management's legitimate business interests may result in disciplinary measures, up to and including dismissal.

We continue to advocate Gramercy Healthcare Management employees' responsible involvement today in this rapidly growing space of relationship, learning and collaboration. If at any time we feel that this decision is abused we will reconsider restricting access by Gramercy Healthcare Management employees.

D. Social Computing Guidelines:

1. Employees are personally responsible for the content they publish on blogs, wikis or any other form of user-generated media. Be mindful that what you publish will be public permanently—protect your privacy.
2. Identify yourself—name and, when relevant, role at Gramercy Healthcare Management—when you discuss Gramercy Healthcare Management or Gramercy Healthcare Management-related matters. And write in the first person. You must make it clear that you are speaking for yourself and not on behalf of Gramercy Healthcare Management.
3. If you publish content to any website outside of Gramercy Healthcare Management and it has something to do with work you do or subjects associated with Gramercy Healthcare Management, use a disclaimer such as this: “The postings on this site are my own and don't necessarily represent Gramercy Healthcare Management's positions, strategies or opinions.”
4. Respect copyright, fair use and financial disclosure laws.
5. Don't provide Gramercy Healthcare Management's or another's confidential or other proprietary information. Ask permission to publish or report on conversations that are meant to be private or internal to Gramercy Healthcare Management
6. Don't cite or reference clients, partners or suppliers without their written approval. When you do make a reference, where possible link back to the source.
7. Respect your audience. Don't use ethnic slurs, personal insults, obscenity, or engage in any conduct that would not be acceptable in Gramercy Healthcare Management's workplace. You should also show proper consideration for others' privacy and for topics that may be considered objectionable or inflammatory—such as politics and religion.
8. Find out who else is blogging or publishing on the topic, and cite them.

9. Be aware of your association with Gramercy Healthcare Management in online Social networks. If you identify yourself as a Gramercy Healthcare Management employee, ensure your profile and related content is consistent with how you wish to present yourself with colleagues and clients.

10. Don't pick fights, be the first to correct your own mistakes, and don't alter previous posts without indicating that you have done so.

11. Try to add value. Provide worthwhile information and perspective. Gramercy Healthcare Management's brand is best represented by its people and what you publish may reflect on Gramercy Healthcare Management's brand.

12. Use your best judgment. Remember that there are always consequences to what you publish. If you're about to publish something that makes you even the slightest bit uncomfortable, review the suggestions above and think about why that is. If you're still unsure, and it is related to Gramercy Healthcare Management business, feel free to discuss it with your supervisor. Ultimately, however, you have sole responsibility for what you post to your blog or publish in any form of online Social media.

Any Social media networking activity that adversely affects your performance, Gramercy Healthcare Management reputation, brand, or Gramercy Healthcare Management's legitimate business interests may result in disciplinary measures, up to and including dismissal.

10. Work Emails

All employees are required to check their work emails regularly for important communications, as all company related communications will be delivered through the company email system. Employees are expected to check their emails regularly while at work, and in addition, per diem employees are responsible for checking their work emails regularly so as not to miss important updates and announcements. Employees who will not be at work each day, due to their employment status, should have their work email forwarded to a personal account that they can check regularly. Failure to check your work email regularly will lead to discipline up to and including immediate termination.

Additionally, it is expected that all work emails received that require acknowledgement or response will be responded to no later than one business day from receipt. Employees are not required to respond to work emails received on the weekend. Failure to adhere to this response policy will lead to termination up to and including immediate termination.

You may not edit the signature line of your work email account or any other electronic property that contains our logo in any way without the prior written approval of your supervisor and the IT department. Any unauthorized edits or additions will be removed.

11. Amendments and Violations of the Policy

This policy may be amended or revised from time to time as the need arises. Users will be provided with copies of all amendments and revisions.

Violations of this policy will be taken seriously and may result in disciplinary action, including possible termination, and civil and criminal liability.

TIME OFF BENEFITS

1. Company Paid Holidays

All regular, full-time employees (excluding those in their 90 day introductory employment period) are eligible for 6 Company paid holidays per calendar year:

- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day
- New Years Day

Where a holiday falls on a weekend, it will be observed on either the preceding Friday or following Monday and will be determined by the CEO/COO. If an observed holiday falls during a Paid Time Off absence, the day is recorded as a holiday, not as Paid Time Off.

2. Paid Time-Off Policy

Gramercy Healthcare Management believes that employees should have opportunities to enjoy time away from work to help balance their lives. The Company recognizes that employees have diverse needs for time off from work and has established this paid time off (PTO) policy to meet those needs whether it is for a personal, vacation or sick day. 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 or disability, appointments, emergencies or other needs that require time off from work. All full-time status employees are eligible to accrue vacation time. Vacation hours accrue on a bi-weekly basis.

Full time employees accrue the following forms of paid absences:

- 40/80 Hours of Paid Time Off** which can be used for vacation, illness or others absences from work. Up to 40 hours of unused PTO can roll over to the next calendar year.
- Personal Days** which can be used for personal reasons or needs that require time off, but which cannot be combined with PTO days for extended vacation. Personal Days do not carry over to the next fiscal year and are not paid out upon termination. Personal Day absences must be scheduled in the same manner as PTO absences (see below)

A. PTO Eligibility

Paid time off is accrued upon the first pay period hire or transfer into a benefit-eligible position. Eligible employees are classified as regular full time that have completed at least 90 days of full time employment and must maintain at least 40 hours per week on a regular basis. Employees who are classified as regular part-time, benefit eligible part time, on-call and temporary employees are not eligible to accrue PTO.

B. PTO Availability

Probationary employees do not accumulate, and are not entitled to take vacation during the 90-day Probationary Period. However, at the end of that 90-day period, the employee is credited with vacation time retroactive to the initial employment date.

PTO accruals are available for use in the pay period following completion of 90 days of employment. An eligible employee may borrow or have access to the total annual benefit based on their seniority, once 90 days have been completed.

The employee will have an accrual rate per pay period. If an employee separates from the Company and has a negative accrual balance then they need to pay the company back either by check or payroll deduction.

C. PTO Accrual

A regular full time employee as defined within the Employee Handbook, who works from Jan. 1st to Dec. 31st, will typically accrue up to either 40 or 80 hours of Paid Time Off (PTO). Non-supervisory employees accrue 40 hours of PTO and supervisory employees accrue 80 hours of PTO. All benefit eligible employees who are on paid leave—such as paid time off, or sabbatical will continue to accrue paid leave benefits provided by Gramercy Healthcare Management.

Employees who are on unpaid leave will not be entitled to continue accruing paid leave benefits, including employees who are receiving income replacement benefits such as short-term disability, long-term disability or workers' compensation.

Upon 3 years of continued, full-time employment with Gramercy Healthcare Management, an employee will earn 1 week extra of vacation PTO. Upon 6 years of continued, full-time employment with Gramercy Healthcare Management, an employee will earn another week of vacation PTO. The maximum amount of PTO that any non managerial employee can receive is 3 weeks. The maximum amount of PTO that any managerial employee can receive is 4 weeks.

D. PTO Carry Over

A maximum of 40 hours of PTO can be carried over to the New Year. The total number of hours carried over from one year to the next should not exceed 40. Any PTO in excess of 40 hours will be forfeited if it is unused in the calendar year. There will be a cap placed on the amount of PTO an employee may build up. No employee will be able to accrue more than what is allotted to them per year. Once the employee has reached the annual accrual limits they will no longer accrue any PTO until they have taken their PTO to a balance that is under the annual maximum.

E. PTO Payment upon Separation

After one year of employment, an employee will be paid PTO on their last check upon Voluntary Separation such as, resignation, reduction in force/lay off or retirement for all accrued PTO hours but not used in accordance with state law requirements. An employee leaving Gramercy Healthcare Management due to involuntary gross misconduct/negligence will not be eligible for any unused accrued paid time off pay. In addition, a voluntary separation without adequate notice of at least two weeks for entry level/mid level employees and at least four weeks for employees with supervisor or Department Head status upon resignation forfeits any rights to unused accrued paid time off pay.

For employees that voluntary separate with the Company and holds one year of service or more, payment will be paid out for what is formally accrued. Any PTO benefits or accrual balance that reflects a negative accrual will be deducted appropriately from the employee on the last pay check. When an employee gives notice that they are leaving the company they are unable to use their PTO during this time.

Using PTO once the employee has given their resignation the employee will forfeit the remainder of the unused accrued PTO and will not receive it at the time of their separation.

F. PTO Use and Scheduling

Paid time off must be scheduled in advance for time off for vacations, personal leave appointments or other reasons. An employee must request leave at least one month in advance for longer than one week of vacation. The request is subject to supervisory approval, department staffing needs and established departmental procedures. An employee will be counseled when the frequency of unscheduled absences adversely affect the operations of the department. The employee's supervisor or Human Resources may request the employee provide a statement from his or her health care provider at any time concerning the justification for an unscheduled absence.

PTO may not be used for missed time because an employee reports late to work, except during inclement weather. PTO is paid at the employee's hourly rate. PTO is not part of any overtime calculation. Employees are required to use available PTO when taking time off from work with the exception of a company-required absence due to low workload or absences occasioned by the company. PTO may be taken in increments as low as 3.75 hours

Employees should not borrow against their PTO banks; exceptions to this may only be made with the collective approval of the employee's supervisor and Human Resources. All regular full-time employees who have been employed continuously for three (3) months shall also be entitled to three (3) personal days on a calendar year. New Hires accrue 1 day every 4 months. All current employees will accrue 1 day on the following schedule.

January 1
May 1
September 1

Employees or family members have to inform supervisor of unexpected sick leave no later than one hour before your starting time. An Absence Request Form must be completed and submitted to Human Resources when the employee returns to work. Any unused Sick / Personal Days will expire at the end of the calendar year.

Part Time Employees

Part – Time employees will accrue 1 hours of sick time for every 30 hours worked up to a maximum of 40 hours in a calendar year. New employees must be employed for 120 days before accrued time can be used. Sick time will not be paid out unless it is accrued. Up to 40 hours of sick time may be carried over from one calendar year to the next. Employee's available sick time will never exceed 40 hours. No payments are made for accrued unused sick days at the end of the year or upon termination. Sick time can be taken in half day increments. Sick days may only be used for the purposes envisioned under the NYC paid sick leave act. An employee may be asked to provide a doctor's note or other proof that any days taken are being used for permitted reasons.

3. Maternity Leave

Maternity leave benefits can be claimed by full-time employees who have worked at the Company for at least 12 consecutive months, following the birth of a child. Generally, six consecutive weeks of maternity leave benefits will be granted to eligible employees.

4. Lactation Breaks

Employees who are nursing are provided with break time to express breast milk for up to three years after the birth of a child. Employees will not be discriminated against or retaliated against for exercising their rights under this policy and reasonable efforts will be made to provide a private room or location in close proximity to the work area for this purpose.

5. Jury Duty

A leave of absence for jury duty will be granted to any regular full time or part time employee who has been notified to serve. During this leave, employees will be compensated by the jury fee of \$40 for each of the first three days of jury service. In the alternative the employee may use a PTO or personal day if they so wish. If the juror's daily wage is less than the jury fee, then the State makes up the difference. After three days, the State pays the jury fee to jurors who are not paid at least the jury fee. An employee on jury duty is expected to report to work any day he/she is excused from jury duty.

Upon receipt of the notice to serve jury duty, the employee should immediately notify their supervisor, as well as Human Resources. Additionally, a copy of the notice to serve jury duty should be attached to the employee's absent request form.

Upon the employee's return, the employee must notify Human Resources and submit a signed Certificate of Jury Service indicating the number of days served.

If the jury duty falls at a time when the employee cannot be away from work, the Company may request that the court allow the employee to choose a more convenient time to serve if he/she makes a request in accordance with the court's procedures. The employee must cooperate with this request. If excused by the court, employees are expected to report to work for the major portion of the day. An employee called to serve as a witness in a judicial proceeding must notify his/her supervisor as soon as possible.

Employees will not be compensated for time away from work to participate in a court case, but may use available vacation and personal time to cover the period of absence.

Employees that appear in court to testify as a witness or victim, or to consult with a district attorney or obtain an order of protection, will not be disciplined or terminated for their absence.

7. Military Leave

The main law governing the employment rights of employees on military duty is the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), found in Title 38 of the United States Code starting at Section 4301. Gramercy Healthcare Management complies fully with all aspects of USERRA, as well as the state laws that apply in some states. If you are called into active military service or you enlist in the uniformed services, you will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, you must provide management with advance notice of your service obligations unless you are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable for you to provide such notice.

Provided your absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Please ask management for further information about your eligibility for Military Leave.

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

8. Family Military Leave

Employees who work an average of at least 20 hours per week and are spouses of military members generally are entitled to up to 10 days of unpaid leave during any period when the spouse in the military is on leave from active duty. Prior notice is requested for staffing reasons. Employees will not be retaliated against for exercising their rights under this policy. Leave runs concurrently with FMLA Qualifying Exigency leave to the extent both are legally allowed.

9. Time Off To Vote

On days when elections for public office (“elections for public office” includes elections for sheriff, school board, district attorney, and all primary and general elections) are scheduled throughout the state, county, city or town in which the employee works, schedules will be accommodated as needed to ensure that employee has the ability to vote. Employees living in other localities or states will need to inform their supervisor in advance if they expect any conflict between their work schedule and the exercise of voting rights in any election for any public office. Supervisors will find out when the polls are open and adjust employee’s schedules as needed to ensure that they will have the opportunity to vote. No employee will be penalized or retaliated against for requesting time off to vote.

10. Short Term Disability

The Company also provides statutory short-term disability insurance. This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

11. Retirement Plan

Eligible employees are able to participate in the Company’s retirement plan. Plan participants may make pre-tax contributions to a retirement account. Upon becoming eligible to participate in this plan, you will receive an SPD describing the plan in greater detail. Please refer to the SPD for detailed plan information. Of course, feel free to speak to the Human Resources Department if you have any further questions.

12. Family and Medical Leave of Absence (FMLA)

Employees may be entitled to a leave of absence under the Family and Medical Leave Act (FMLA). This policy provides employees information concerning FMLA entitlements and obligations employees may have during such leaves. If employees have any questions concerning FMLA leave, they should contact the HR Manager.

The Leave Policy

Employees may be entitled to a leave of absence under the Family and Medical Leave Act (FMLA). This policy provides employees information concerning FMLA entitlements and obligations employees may have during such leaves. If employees have any questions concerning FMLA leave, they should contact HR Manager

- To care for the employee's child after birth or placement for adoption or foster care;
- To care for the employee's spouse, son, daughter or parent (but not in-law) who has a **serious health condition**;
- For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care or childbirth) that makes the employee unable to perform one or more of the essential functions of the employee's job; and/or
- Because of any **qualifying exigency** arising out of the fact that an employee's spouse, son, daughter or parent is a covered military member on active duty or has been notified of an impending call or order to active duty status in the National Guard or Reserves in support of contingency operation. This leave also is available for family members of active duty service members.

A **serious health condition** is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions and attending post-deployment reintegration briefings.

B. Additional Military Family Leave Entitlement (Injured Service member Leave)

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a **covered service member** is entitled to take up 26 weeks of leave during a single 12-month period to care for the service member with a serious injury or illness. Leave to care for a service member shall only be available during a single-12 month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured service member.

A "**covered service member**" means a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is on the temporary retired list, for a serious injury or illness, or who was a member of the Armed Forces (including members of the National Guard or Reserves) at any time during the five years preceding the date of treatment, recuperation or therapy. A member of the Armed Forces would have a serious injury or illness if he/she has incurred an injury or illness in the line of duty while on active duty in the Armed Forces provided that the

injury or illness may render the service member medically unfit to perform duties of the member's office, grade, rank or rating.

C. Intermittent Leave and Reduced Leave Schedules

FMLA leave usually will be taken for a period of consecutive days, weeks or months. However, employees also are entitled to take FMLA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member or the serious injury or illness of a covered service member.

D. No Work While on Leave

The taking of another job while on family/medical leave or any other authorized leave of absence is grounds for immediate termination, to the extent permitted by law.

E. Protection of Group Health Insurance Benefits

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

F. Restoration of Employment and Benefits

At the end of FMLA leave, subject to some exceptions including situations where job restoration of "key employees" will cause the Company substantial and grievous economic injury, employees generally have a right to return to the same or equivalent positions with equivalent pay, benefits and other employment terms. The Company will notify employees if they qualify as "key employees," if it intends to deny reinstatement, and of their rights in such instances. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave.

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

Employees requesting FMLA leave are entitled to receive written notice from the Company telling them whether they are eligible for FMLA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA leave, employees are entitled to receive written notice of: 1) their rights and responsibilities in connection with such leave; 2) the Company's designation of leave as FMLA-qualifying or non-qualifying, and if not FMLA-qualifying, the reasons why; and 3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

The Company may retroactively designate leave as FMLA leave with appropriate written notice to employees provided the Company's failure to designate leave as FMLA-qualifying at an earlier date did not cause harm or injury to the employee. In all cases where leaves qualify for FMLA protection, the Company and employee can mutually agree that leave be retroactively designated as FMLA leave.

III. Employee FMLA Leave Obligations

A. Provide Notice of the Need for Leave

Employees who take FMLA leave must timely notify the Company of their need for FMLA leave. The following describes the content and timing of such employee notices.

1. Content of Employee Notice

To trigger FMLA leave protections, employees must inform Human Resources of the need for FMLA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA leave specifically, or explaining the reasons for leave so as to allow the Company to determine that the leave is FMLA-qualifying. For example, employees might explain that:

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

Calling in “sick,” without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to the Company’s questions to determine if absences are potentially FMLA-qualifying.

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

2. Timing of Employee Notice

Employees must provide 30 days’ advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days’ notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide the Company notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees, who fail to give 30 days’ notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied.

B. Cooperate in the Scheduling of Planned Medical Treatment (Including Accepting Transfers to Alternative Positions) and Intermittent Leave or Reduced Leave Schedules

When planning medical treatment, employees must consult with the Company and make a reasonable effort to schedule treatment so as not to unduly disrupt the Company’s operations, subject to the approval of an employee’s health care provider. Employees must consult with the Company prior to the scheduling of treatment to work out a treatment schedule that best suits the needs of both the Company and the employees, subject to the approval of an employee’s health care provider. If employees providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglect to fulfill this obligation, the Company may require employees to attempt to make such arrangements, subject to the approval of the employee’s health care provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered service member, the Company may temporarily transfer employees, during the period that the intermittent or reduced leave schedules

are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, employees must advise the Company of the reason why such leave is medically necessary. In such instances, the Company and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting the Company's operations, subject to the approval of the employee's health care provider.

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

Depending on the nature of FMLA leave sought, employees may be required to submit medical certifications supporting their need for FMLA-qualifying leave. As described below, there generally are three types of FMLA medical certifications: an **initial certification**, a **recertification** and a **return to work/fitness for duty certification**. It is the employee's responsibility to provide the Company with timely, complete and sufficient medical certifications.

Whenever the Company requests employees to provide FMLA medical certifications, employees must provide the requested certifications within 15 calendar days after the Company's request, unless it is not practicable to do so despite an employee's diligent, good faith efforts. The Company shall inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven calendar days to cure deficiencies. The Company will deny FMLA leave to employees who fail to timely cure deficiencies or otherwise fail to timely submit requested medical certifications.

With the employee's permission, the Company (through individuals other than an employee's direct Supervisor) may contact the employee's health care provider to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide the Company with authorization allowing it to clarify or authenticate certifications with health care providers, the Company may deny FMLA leave if certifications are unclear. Whenever the Company deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient FMLA medical certifications.

1. Initial Medical Certifications

Employees requesting leave because of their own, or a covered relation's, serious health condition, or to care for a covered service member, must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family or service member. If employees provide at least 30 days' notice of medical leave, they should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

If the Company has reason to doubt initial medical certifications, it may require employees to obtain a second opinion at the Company's expense. If the opinions of the initial and second health care providers differ, the Company may, at its expense, require employees to obtain a third, final and binding certification from a health care provider designated or approved jointly by the Company and the employee.

2. Medical Recertification

Depending on the circumstances and duration of FMLA leave, the Company may require employees to provide recertification of medical conditions giving rise to the need for leave. The Company will notify employees if recertification is required and will give employees at least 15 calendar days to provide medical recertification.

3. Return to Work/Fitness for Duty Medical Certifications

Unless notified that providing such certifications is not necessary, employees returning to work from FMLA leaves that were taken because of their own serious health conditions that made them unable to perform their jobs must provide the Company medical certification confirming they are able to return to work and the employees' ability to perform the essential functions of the employees' position, with or without reasonable accommodation. The Company may delay and/or deny job restoration until employees provide return to work/fitness for duty certifications.

D. Submit Certifications Supporting Need for Military Family Leave

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the active duty or call to active duty status of a covered military member, the Company may require employees to provide: 1) a copy of the covered military member's active duty orders or other documentation issued by the military indicating the covered military member is on active duty or call to active duty status and the dates of the covered military member's active duty service; and 2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different active duty or call to active duty status of the same or a different covered military member.

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

E. Substitute Paid Leave for Unpaid FMLA Leave

Employees may use any accrued paid time while taking unpaid FMLA leave. The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leave and the paid time will run concurrently with an employee's FMLA entitlement. Leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement.

Upon written request, the Company will allow employees to use accrued paid time to supplement any paid disability benefits.

F. Pay Employee's Share of Health Insurance Premiums

During FMLA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless the Company notifies employees of other arrangements, whenever employees are receiving pay from the Company during FMLA leave, the Company will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working. If FMLA

leave is unpaid, employees must pay their portion of the group health premium through a “pay-as-you-go” method.

The Company’s obligation to maintain health care coverage ceases if an employee’s premium payment is more than 30 days late. If an employee’s payment is more than 15 days late, the Company will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date. If employees do not return to work within 30 calendar days at the end of the leave period (unless employees cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to reimburse the Company for the cost of the premiums the Company paid for maintaining coverage during their unpaid FMLA leave.

IV. Questions and/or Complaints about FMLA Leave

If you have questions regarding this FMLA policy, please contact HR Specialist. The Company is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact the Human Resources Department immediately. The Company will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations.

V. Coordination of FMLA Leave with Other Leave Policies

The FMLA does not affect any federal, state or local law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement that provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult the Company’s other leave policies in this Handbook or contact Human Resources.

13. Unpaid Leave of Absence

Should a situation arise that temporarily prevents an employee from working, he/she may be eligible for a personal Unpaid Leave of Absence. However, employees must be employed for at least one year prior to the requested leave.

Any request for a leave of absence without pay must be submitted in writing as far in advance as possible and it will be reviewed on a case-by-case basis by the employee’s manager/supervisor, Human Resources and Gramercy Healthcare Management CEO.

The decision to approve or disapprove is based on the circumstances, the length of time requested, the employee’s job performance and attendance and punctuality record, the reasons for the leave, the effect the employee’s absence will have on the work in the department and the expectation that the employee will return to work when the leave expires. Leaves of absence will be considered only after all vacation and personal time have been exhausted. If you are ineligible for any other Company leave of absence, the Company, under certain circumstances, may grant you a personal leave of absence without pay. A written request for a personal leave should be

presented to management at least four (4) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and you are not eligible for leave under the federal Family and Medical Leave Act (FMLA) or any state leave law, medical certification also must be submitted. Your request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as your performance and attendance records. Normally, a leave of absence will be granted for a period of up to EIGHT (8) weeks. Under unusual circumstances a personal leave may be extended if, prior to the end of your leave, you submit a written request for an extension to management and the request is granted. During your leave, you will not earn vacation, personal days or sick days. We will continue your health insurance coverage during your leave if you submit your share of the monthly premium payments to the Company in a timely manner, subject to the terms of the plan documents.

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

Upon completion of your personal leave of absence, the Company will attempt to return you to your original job, or to a similar position, subject to prevailing business considerations.

Reinstatement, however, is not guaranteed.

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

Personal leave runs concurrently with any Company-provided Short-Term Disability Leave of Absence.

Continuing Benefit Plan Coverage: While on a personal unpaid leave of absence employee's medical coverage will end on the last day of the month following the start of such leave. Employees will have the opportunity of continuing their benefits for a maximum period of 18 months by paying the monthly premiums as required by COBRA or State Continuation legislation. Unemployment Insurance benefits cannot be collected while on a leave of absence without pay.

Salary Action: Any planned salary increase for an employee returning from an unpaid leave of absence without pay will be deferred by the length of the leave.

Vacation and Personal Time: During the calendar year that an employee takes an unpaid leave of absence without pay, the employee is not eligible for vacation.

Unused vacation and personal days must be used before an unpaid leave of absence without pay will be granted.

Performance Evaluations: The normal performance appraisal date of an employee on an unpaid leave of absence without pay will be extended by the length of the leave.

Returning/Not Returning From a Leave: Due to the nature of our business, Gramercy Healthcare Management cannot guarantee either that an employee's job will remain available or that a comparable position will exist when return from an unpaid leave is sought. When an employee is ready to return from a leave of absence without pay, Gramercy Healthcare Management will attempt to reinstate the employee to his/her former position or to one with similar responsibilities. An employee who returns to work following an unpaid leave will be considered as having continuous service. If an employee does not return from an unpaid leave of absence without pay, the termination date is the last day of the authorized leave period or the date the employee notifies his/her supervisor/manager he/she is not returning, whichever is sooner. Such employees may be considered for reemployment.

EMPLOYEE BENEFITS OVERVIEW

1. Disclaimer

The Company has established a variety of employee benefit programs designed to assist you. This portion of the Employee Handbook contains a very general description of the benefits to which you may be eligible for as a regular full time employee, or benefit eligible part time employee of the Company. Please understand that this general explanation is not intended to, and does not, provide you with all the details of these benefits. Your rights can be determined only by referring to the full text of the Summary Plan Descriptions, which are available for your perusal from Human Resources.

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 the Company and its employees, retirees or their dependents, for benefits or for any other purpose. All employees shall remain subject to discharge or discipline to the same extent as if these plans had not been put into effect.

As in the past, Gramercy Healthcare Management 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, including any health benefits that may be extended to retirees and their dependents. 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.

2. Health Insurance

All regular full time employees are eligible to participate in the group health insurance once they have meet the waiting period which is the 1st of the month after 60 days of employment. You have up to 30 days from your eligibility date to make your health plan election. Once made, your election is generally fixed for the remainder of the plan year. However, if you undergo a qualifying event or change in family status (as defined in the Plan document), you may make a mid-year change in coverage (i.e., you may change coverage from individual to family or from family to individual, add or delete dependents, or revoke coverage), provided you do so within 30 days from the date of the change in family status. Please contact Human Resources to determine if a qualifying event or family status change qualifies under the Plan document and IRS regulations. At the end of each plan year, during open enrollment you are free to change your health elections for the following plan year, whether or not you have a change in family status.

3. Worker's Compensation

The Company is covered under statutory state Workers' Compensation Laws. Should you sustain a work-related injury, you must immediately notify your supervisor and Human Resources. Should your injury require the attention of a doctor, you can obtain a list of approved physicians by calling our Workers' Compensation Carrier's Physician Network. In the case of an emergency, you should go to the nearest hospital emergency room for treatment.

SEPARATION OF EMPLOYMENT

1. Voluntary Separations

It is requested that an employee provide the Company with as much notice as possible in a voluntary separation, with a minimum of two-week notice for entry and non-supervisory

employees, four weeks for all supervisors and senior management (bear in mind that paid time off days may not be included in the two-week notice period). The Company will only compensate employees for accrued paid time off when the employee works throughout the notice period, and is not terminated for gross misconduct or cause; otherwise, unused paid time off will be forfeited, please refer to PTO Policy for further details. The Company requests supervisors or Senior Level Management positions to provide a minimum of four weeks notice, or they will automatically forfeit accrued PTO Benefits. All employees should provide notification of leaving in writing to their supervisor.

Upon notice of resignation, the Company reserves the right to ask the employee to leave immediately or any time thereafter up to the proposed resignation date, particularly if the Company feels that the Employee is no longer contributing effectively or has a concern about access to proprietary information.

2. Involuntary Separations and Immediate Dismissals

Every Gramercy Healthcare Management employee has the status of “at will” employment meaning that no one has a contractual right, express or implied, to remain in Gramercy Healthcare Management’s employ. Gramercy Healthcare Management may terminate an employee’s employment, or an employee may terminate his/her employment, without cause, and with or without notice, at any time for any reason. No supervisor or other representative of the Company except the CEO has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above. An involuntary separation of employment is a management-initiated termination and may include layoff, termination for cause, absenteeism, etc. Any employee whose conduct, actions or performance violates or conflicts with Gramercy Healthcare Management’s policies may be terminated immediately and without warning.

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

- Breach of trust or dishonesty
- Falsification of Company records
- Gross negligence
- Violation of the Anti-Harassment and/or Equal Employment Opportunity Policies
- Theft
- Intentional damage to Company property or property on Company premises
- Unauthorized use of Company equipment or property for personal reasons; using Company equipment for personal profit
- Willful violation of any Company rules or policies
- Willful violation of security or safety rules
- Engaging in criminal conduct, fighting or provoking a fight, acts or threats of violence toward anyone on Company premises or when representing the Company
- Insubordination (displays of defiance to Supervisorial staff)
- Violation of the Company’s drug-free workplace policy
- Violation of the Company’s weapon policy
- Lewd behavior on Company premises or when representing the Company

- Gambling on Company premises or during work hours
- Deliberate non-performance of work
- Larceny or unauthorized possession of, or the use of, property belonging to any co-worker, visitor, or customer of Gramercy Healthcare Management.
- Excessive absenteeism or lateness.
- Violation of the Company's Conflict of Interest/Outside Employment Policy and/or Confidentiality Policy
- Sleeping on the job
- Substandard work (not performing duties of your position)
- Discourtesy to internal or external customers
- Smoking anywhere in a Company office, building, or vehicle
- Excessive drinking or use of drugs while attending a Company function or while on Company business.

This list is intended to be representative of the types of activities that may result in disciplinary action. It is not exhaustive, and is not intended to be comprehensive and does not change the employment-at-will relationship between the employee and the Company. In the event of termination for misconduct, all benefits end at the end of the month. COBRA may not be available to anyone dismissed from Gramercy Healthcare Management for gross misconduct.

For voluntary and involuntary separations, the Company has the right to withhold funds from the final paycheck to compensate for any money due the company from cash advances, personal telephone or postage usage, or any other Company debts incurred. Any PTO that has been used before being accrued will also be deducted from the final paycheck.

3. Progressive Discipline

All employees are expected to meet Gramercy Healthcare Management's standards of work performance. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency and general compliance with the Company's policies and procedures. The Company, in its sole judgment, reserves the right to determine when a disciplinary problem is serious enough to require immediate termination.

If the Company finds that immediate termination is not required, the Company may elect to use some or all of the steps in the following progressive discipline:

- Coach and counseling
- Verbal Warning
- Written Warning
- Suspension/Probation
- Demotion

The intent of corrective action is to formally document problems while providing the employee with a reasonable time within which to improve performance. The process is designed to encourage development by providing employees with guidance in areas that need improvement such as poor work performance, attendance problems, personal conduct, general compliance with the Company's policies and procedures and/or other disciplinary problems.

The Company reserves the right to skip some or all of the above steps in disciplining employees. This in no way implies a contract or guarantee of continued employment with GHM.

4. Separation Procedures

A. Exit Interview

Human Resource is responsible for scheduling an exit interview with a voluntarily separating employee. In addition, Exit Interviews may be requested by the HR Manager or CEO. Your cooperation in the exit interview process is appreciated.

B. Return of Company Property

Prior to separation of employment, building badge cards, office keys, company issued credit cards, all IT equipment such as a laptop or a company travel phone, all lists, manuals, phone listings, files, email records, etc. shall be turned over to the employee's supervisor or Human Resources. The employee agrees and acknowledges that certain information given to him/her during the course of his/her employment may represent trade secrets. If company property is not returned promptly upon request, the Company has the right to withhold funds from any final paychecks to compensate for fair market value of the property.

C. Benefits

Health benefits such as medical, dental, vision, life etc. will expire on the last day of the month following the last day of employment. An employee, unless dismissed for gross misconduct, has the option to continue medical, dental or vision insurance benefits in accordance with the Consolidated Omnibus Budget Reconciliation Act.

D. COBRA

The Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under Gramercy Healthcare Management's health plan when an event would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements. The designated COBRA Administrator provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Gramercy Healthcare Management's health insurance plan. This notice contains important information about the employee's rights and obligations.

E. Final Paycheck

The final paycheck will be mailed during the next normal pay period, with the exception to involuntary separation. If there are unpaid obligations to the Company, the final paycheck will reflect the appropriate deductions.

RECEIPT FOR EMPLOYEE HANDBOOK

I acknowledge that I have received a copy of the Gramercy Healthcare Management (the “Company”) Employee Handbook. I agree to read it thoroughly, including the statements in the company overview and introduction 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 Human Resources. I understand that Gramercy Healthcare Management is an “at will” employer and as such employment with Gramercy Healthcare Management is not for a fixed term or definite period and may be terminated at the will of either party, with or without cause, and without prior notice. No supervisor or other representative of the Company (except the CEO) has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above. In addition, I understand that this Handbook states Gramercy Healthcare Management’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 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.

If I am a Seasonal or Temporary employee, I understand that I am ineligible to receive certain Company benefits contained herein.

Print Name**Department**

Signature**Date**