



**PACESETTER**  
H E A L T H

# DOCTOR EMPLOYEE HANDBOOK

**Last Revision – 03/09/2022**

This Handbook is for informational purposes only. It must be noted at the outset that the policies and practices outlined in this Handbook do not constitute an employment contract between Pacesetter Health and any one or all of its employees, or a guarantee of employment. This handbook is aimed at Pacesetter Health's Corporate employees and is not intended for use for doctors or clinical staff.

# PACESETTER HEALTH EMPLOYEE HANDBOOK

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## WELCOME

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Welcome to Pacesetter Health. We are very happy to have you as part of our team, bringing first-class healthcare services to patients across the country.

Our company was formed in late 2020, so we are a young organization! However, the outstanding healthcare practices that are part of this company, either where you work or that you support from our headquarters, are well established with roots in each community they serve. We honor that connection and that commitment to individual communities and seek to help each practice flourish—bringing best-in-practice processes, treatments and patient services.

Our intention is to be a welcoming, fair, pleasant, interesting place to work, where employees at all levels enjoy their work, trust their co-workers, and honorably serve their patients.

As you read through this handbook and familiarize yourself with our philosophy and policies, please remember that the policies and practices outlined in this handbook are largely a compilation of what has already been working well at the many practices that are now Pacesetter Health, and we want to maintain historical best practices. In the months and years ahead, Pacesetter Health will undoubtedly experience plenty of change, and I hope it will be driven by your ideas, your energy and your enthusiasm for improving the way we provide healthcare services and conduct business. This handbook will be updated and revised to reflect the changes that we make together on this endeavor.

I look forward to meeting you and your fellow Pacesetter associates and I am eager to understand the uniqueness of each practice. I encourage you to take advantage of your manager's open-door policy to discuss issues or make suggestions that can improve our work. Your input and ideas are valuable and essential. I sincerely hope that you have a long and satisfying tenure as part of Pacesetter Health and that together we will be successful in bringing excellent healthcare services to the patients who are counting on us.

Respectfully Yours,

Clete Madden  
Chief Executive Officer  
Pacesetter Health

## ABOUT THIS HANDBOOK/DISCLAIMER

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Pacesetter Health prepared this handbook to assist you in finding the answers to many questions that you may have regarding your employment with Pacesetter Health and its affiliated practices (collectively, “Pacesetter Health” or the “Company”). Please take the necessary time to read it. This handbook supersedes all practice level handbooks.

This handbook was developed to describe some of our expectations of you and to outline the policies, programs and benefits available. You should familiarize yourself with the contents of this handbook. It will answer many questions about your employment; however, it is impossible to cover everything and we do not expect this handbook to answer all of your questions. Your Manager or Human Resources (“HR”) at [hr@pacesetter-health.com](mailto:hr@pacesetter-health.com), also will be a major source of information. This handbook is designed to acquaint you with Pacesetter Health and provide you with information about working conditions, employee benefits and policies affecting your employment. Please remember that the policies and procedures in the handbook are intended as guidelines for management and may not be followed in all circumstances. To maintain some flexibility with some of these policies, Pacesetter Health and your Management Team will have final discretion in the administration of policies and procedures, and reserves the right to interpret, change, revise or eliminate any of the policies and/or benefits described in this handbook at any time with or without prior notice.

The actual provisions of each benefit plan or contract will govern if there is any inconsistency between this handbook summary and the formal plans or contracts. Neither this handbook, employment agreement, nor any other verbal or written communication by a management representative, is, nor should it be considered to be, an agreement, contract of employment, expressed or implied, or a promise of treatment in any particular manner in any given situation. Your employment at Pacesetter Health is “at will.”

If you have an employment agreement with the Company, this handbook is not intended to supersede any language contained in your employment agreement. However, you are still obligated to abide by these policies as long as they do not conflict with language contained in your contract, so please take the necessary time to read it. If you feel there is conflicting language or have any specific questions, please contact Human Resources (“HR”) at [hr@pacesetter-health.com](mailto:hr@pacesetter-health.com). Terms of a written employment agreement will prevail if this Handbook conflicts with the terms of your employment agreement.

## EMPLOYMENT AT WILL

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Employees of the company are “*at will*”, which means that the employee may resign at any time, and the employer may discharge the employee at any time, with or without cause. This “*at will*” employment relationship may not be changed by any written document or by conduct, unless such change is specifically acknowledged in writing by an executive of the Company.

Nothing contained in this manual or in any other company manual, publication, oral statement, quarterly check in, performance plan, disciplinary measure, etc. changes this relationship or limits it in any way.

## DOCTOR’S CONTRACT RELATIONSHIP

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This handbook is not intended to supersede any language contained in your employment or management agreements with Pacesetter Health. However, you are still obligated to abide by these policies as long as

they do not conflict with language contained in your contract. If you feel there is conflicting language or have specific questions, please contact Human Resources or a member of the Executive Team.

## EQUAL EMPLOYMENT OPPORTUNITY

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The Company maintains a policy of non-discrimination in employment and complies with and supports all Federal, state and local laws regarding discrimination in employment. It is the Company's policy to provide equal employment opportunity to qualified candidates without regard to race, sex, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, genetic information or any other characteristic to the extent prohibited by Federal, state or local law.

Decisions regarding recruiting, hiring and promotions are made on the basis of individual qualifications related to the requirements of the position. Likewise, the administration of other Human Resources matters such as compensation, benefits, transfers, reduction-in-force, recall, training, education and social/recreational programs are free from any discriminatory practices.

Employees with questions or concerns about any type of discrimination in the workplace or employees who believe they have been unlawfully discriminated against should bring these issues to the attention of their immediate supervisor or Human Resources. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including separation of employment.

## DIVERSITY, EQUITY, & INCLUSION

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We know that bringing diverse backgrounds, cultures, and perspectives together can drive innovation that helps us solve today's complex healthcare problems. This makes diversity, equity and inclusion ("DEI") everyone's responsibility. Our mission is to make diversity, equity & inclusion our way of doing business and how we work every day. DEI values will be reflected in our practices and policies on recruitment and selection, compensation and benefits, professional development and training, promotions, transfers, social and recreational programs, layoffs, terminations and the ongoing development of a work environment that is welcoming to all.

Our DEI strategy starts with our people. Helping associates discover ways of working that fosters a sense of inclusion and a deep sense of belonging—for themselves, for their teams, and for Pacesetter Health. We know that through inclusive leaders and developing a culture where everyone can bring their ideas, we can create and implement innovative solutions. As part of this mission, every employee is responsible for:

- Respecting the dignity and diversity of all people—associates, patients, vendors, and doctors.
- Creating an inclusive environment that is free from discrimination, harassment and bullying.
- Enhancing their awareness of potential unconscious bias and how that might hinder our ability to be more inclusive and collaborative with one another.
- Focusing on conscious inclusion to be more intentional with their actions to drive diversity, equity, and belonging.
- Committing to an individual goal as part of annual goals and objectives setting to help Pacesetter Health meet our DEI responsibilities.

To drive our DEI success throughout the business, the Company holds all managers to go above-and-beyond the responsibilities listed above, and also demonstrate DEI commitment by:

- Ensuring that employment-related decisions are free from discrimination.
- Setting individual DEI goals to foster diverse representation and an inclusive environment within their teams.
- Engaging in conscious inclusion and other behaviors that promote equity.
- Mitigating potential unconscious bias in employment decisions and talent practices (including performance and development, compensation, hiring).
- Drawing from a broad pool of talent in region in order to inclusively reach talent, create diverse slates and, ultimately, a workforce that reflects the communities we serve.
- Providing reasonable accommodations for otherwise qualified individuals with a disability and to those with needs related to their religious observance or practices in recognition of personal religious expression. What constitutes a reasonable accommodation depends on the facts and circumstances and is addressed on a case-by case basis.
- Creating an inclusive and safe work environment that supports DEI and behaviors that reinforce our values.
- Ensuring a work environment that is free from discrimination, harassment and bullying.
- Consistently displaying inclusive leadership behaviors valuing all perspectives, listening to diverse points of view.
- Role modeling inclusive and respectful behavior in the work environment and all work-related activities.
- Encouraging employees to collaborate, make suggestions, and to respect and listen to diverse opinions.
- Cultivating a culture that inspires respect for all employees, patients, and others in the work environment.
- Appropriately addressing any other behavior not consistent with this, other policies and applicable laws relating to equal opportunity, diversity, equity or inclusion.

We are confident that by advancing a culture of belonging where open hearts and minds combine to unleash the potential of the brilliant mix of people in every corner of Pacesetter Health we can drive innovation and business growth that will bring the best health and wellness solutions to our patients.

If at any time you have questions or concerns about equal employment opportunities in our workplace, we encourage you to bring these issues to the attention of Human Resources at [hr@pacesetter-health.com](mailto:hr@pacesetter-health.com) or your Executive Leadership. Pacesetter Health will not allow any form of retaliation against individuals who bring good faith reports or complaints of discrimination, who pursue a discrimination claim, or anyone who cooperates in related investigations. Furthermore, any employee, regardless of position or title, whom Human Resources determines has subjected an individual to discrimination or retaliation for raising the issue or violation of the policy will be subject to discipline, up to and including termination. To make this policy effective, it is required that all associates cooperate with any investigation related to these issues.

## VERIFICATIONS

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### Employment Verification

All new employees will be asked to complete an Employment Eligibility Form I-9, attesting to their eligibility for employment in compliance with the Immigration Reform and Control Act of 1986 as discussed in the earlier section of this handbook. Employees will also complete appropriate state, federal and local forms required for tax reporting. These forms will become part of the personnel file.

### License Verification

All licensed employees are required to present proof of licensure or certification upon hire. It is the responsibility of all employees to keep their licenses or certificates current or in good standing. Pacesetter Health may determine, at its sole discretion, that paying for an additional state license or certification (i.e. initial x-ray training/certification, expanded duties, etc.) is necessary to help employees perform at a higher level and enhance patient care. Any request for the Company to pay for a license or certification (new or renewal) or a course to achieve or maintain such accreditation must be discussed with Regional Management Team or Human Resources and approved in advance of the expenditure.

## **BACKGROUND CHECKS**

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The Company requires applicants and employees to satisfactorily complete a background check. The Company will consider your job duties, in determining what constitutes satisfactory completion of the background check. All information obtained as a result of a background check will be used solely for employment purposes and will be kept confidential. In general, a background check may include, confirming a person's identity, past employment, credit history, driving records, criminal record (including sex offenses), education and licensing. Any applicant, prospective employee or current employee for whom a background check is required must authorize the procedure in writing. Failure to participate in the background check process may result in termination, withdrawal of an offer of employment or no further consideration for employment. Pacesetter Health complies with all applicable federal, state, and local laws regarding background checks.

## **RECORD RETENTION**

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

## **HARASSMENT AND DISCRIMINATION POLICY**

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It is Pacesetter Health's policy to prohibit intentional and unintentional harassment of any individual by another person on the basis of any protected classification including, but not limited to, perceived race, creed, color, religion, alienage or national origin, ancestry, ethnicity, citizenship status, age, physical or mental disability or handicap, sex (including pregnancy), gender (including gender nonconformity and status as a transgender individual), marital status, veteran status, sexual orientation, genetic information, arrest record, or any other characteristic protected by applicable federal, state or local laws.

Examples of inappropriate conduct or harassing behavior include, but are not limited to:

1. Verbal: Racial slurs, ethnic jokes, stereotyping, derogatory remarks, sexual innuendo, insults, epithets, that a reasonable person would find threatening, intimidation or humiliating, slandering, ridiculing, false rumors, or maligning co-workers against others; persistent name calling which is hurtful, insulting, or embarrassing; yelling, screaming, or cursing; chronic teasing, belittlement, bullying, or frequent criticism that undermines the victim's ability to perform his/her job.
2. Nonverbal and Visual: Threatening gestures, actions, or glances; shunning, excluding, or disregarding a person; offensive depictions of another through a visual medium such as a drawing, poster or doctored photograph; mimicking another in an offensive manner; objects or clothing that contain offensive language or other depictions.
3. Physical: Pushing, shoving, punching, kicking, poking, tripping, bullying, or purposely impeding another's path; battering or threatening physical harm; damaging another's work area or property; unwelcome touching of any kind.
4. Cyber: Tormenting, threatening, harassing, embarrassing, cyber-bullying, or otherwise targeting a co-worker using social media, email, instant messaging, text messaging, or any other type of digital technology.
5. Workplace Interference: Sabotaging another's work; deliberately tampering with a person's work area or property; assigning menial tasks outside of a person's normal job duties.

The purpose of this policy is not to regulate our employees' personal moralities, but to ensure that in the workplace, no one harasses another individual. This policy applies not only to our associates, but our vendors and patients as well.

#### Sexual Harassment

Pacesetter Health's intolerance of harassment of any kind includes sexual harassment. While it is not easy to define precisely what types of conduct could constitute sexual harassment, examples of prohibited behavior include, but are not limited to, unwelcome sexual advances, requests for sexual favors, obscene gestures, displaying sexually graphic magazines, calendars or posters, sending sexually explicit e-mails, text messages and other verbal or physical conduct of a sexual nature, such as uninvited touching of a sexual nature or sexually related comments. Depending upon the circumstances, improper conduct also can include sexual joking, vulgar or offensive conversation or jokes, commenting about an employee's physical appearance, conversation about your own or someone else's sex life, or teasing or other conduct directed toward a person because of his or her gender which is sufficiently severe or pervasive enough to create an unprofessional and hostile working environment.

#### Obligation to report

In order to take appropriate corrective action, the Company must be sufficiently aware of the harassment or related retaliation. Therefore, if you have experienced or witnessed harassment or related retaliation based on any of the protected categories stated above, you must promptly report such behavior to a manager or the Human Resources Department directly. This includes harassment by another employee, manager or non-employee.

The Company takes all discrimination and harassment complaints seriously and will promptly and thoroughly investigate all complaints. All information will be kept as confidential as possible. All persons contacted must cooperate fully.



Any person who is found to be responsible for harassment will be subject to appropriate discipline, up to and including separation of employment, the severity of which will be decided by management and based on the circumstances of the case. If the harasser is a non-employee, the company will take whatever steps are necessary to protect the employee.

No one who participates in or makes a complaint under this policy shall suffer any retaliation. Obviously, everyone is expected to be truthful and to use their best judgment. The company will not tolerate frivolous claims of harassment.

## ACCOMMODATING DISABILITIES

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Pacesetter Health is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. The Company will make reasonable accommodations to the known physical and mental disabilities of otherwise qualified employees consistent with any restrictions as noted by the employee's medical physician, unless the accommodation would impose an undue hardship on the Company, in terms of cost, disruption of business, safety, or other factors. Because the need for an accommodation is often not apparent, it is the responsibility of the employee to request an accommodation. To request accommodations, an employee must complete the Accommodation Request Packet and return it to their manager or Human Resources at [hr@pacesetter-health.com](mailto:hr@pacesetter-health.com). Medical records will be kept separate from any personnel files and are always confidential.

The Company may ask you to provide supporting documents showing that your disability falls within the scope of the ADA and applicable state and local laws, and that your disability necessitates a reasonable accommodation. If the supporting documentation is insufficient, the Company may require that you see a health care professional of the Company's choosing (at the Company's expense). In such a case, failure to provide the requested information or see the designated health care professional, may result in denial of any request for reasonable accommodation.

## HEALTH AND SAFETY

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The Company is greatly interested in your health and safety. Your earning power and entire future, along with the earning power and future of your co-workers depend on your personal safety. The Company has a responsibility to prevent injuries by lessening hazards, but you can do much to prevent accidents and injuries by observing the safety rules, by remaining alert and by reporting any unsafe conditions which we should correct.

All employees are responsible for following safety policies and procedures as well as reporting safety hazards, unsafe practices, dangerous conditions, and all accidents, injuries or illnesses, regardless of how major or minor. Such reports must be made to your Manager or to Human Resources immediately. Any employee may make confidential reports of safety problems to Human Resources. Employees will not be subject to discipline for reporting any safety violations or unsafe practices or policies.

Working in a medical office raises special health issues because of the possibility that employees may be exposed to contagious diseases. Infection control policies are in place within the office to protect our associates. Pacesetter Health urges our associates to obtain vaccination against hepatitis B, Covid-19, and seasonal influenza.

Our clinical offices will enforce local public health guidelines and recommendations regarding safe practices related to Covid-19. You may be required to wear a mask at your worksite to ensure the safety of both co-workers and patients. The management staff of each office will periodically review the CDC guidelines related to social distancing, masking, testing and vaccinations and will issue updated guidance for all associates to follow.

Intentional disregard for safe practices, Company rules, instructions or the welfare of fellow employees will not be tolerated. Failure to follow policies and practices will result in disciplinary action, up to and including separation of employment.

#### Obligation to Report

If you are involved in or witness a workplace accident, you must report it to your Manager as soon as possible and then inform the Human Resources department should an accident/illness occur during working hours. Injuries, no matter how slight, should be reported to the Human Resources department to protect your insurance benefits and to complete the appropriate reporting.

Complete First Aid supplies are kept on the premises and should be used for minor injuries. If there is any question about the seriousness of the injury, see or contact a doctor. Your supervisor or HR may require that you be taken to the emergency room of the nearest hospital in extreme cases. In emergency situations, call 911.

## **CONFIDENTIALITY**

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During your employment with the company, you will be provided with access to information that is proprietary in nature. This information will include but not be limited to:

- Customer records
- Patient records
- Vendor records
- Employee records
- Employee personal information
- Financial data
- Budget data
- Legal files
- Research data
- Any proprietary data
- Strategic planning data

Protecting our company's information is the responsibility of every employee, and we all share a common interest in making sure information is not improperly or accidentally disclosed. All confidential information and matters that become known to an employee must be held in strict confidence. Employees must not discuss confidential matters or release confidential information to any persons other than individuals authorized to discuss such without the expressed permission from an authorized executive of the company.

Enquiries regarding current or former employees' positions, compensation or tenure must be direct to the Office Manager or Human Resources.

Any employee (or former employee) who violates this policy or the Agreement will be subject to disciplinary action, up to and including separation of employment and legal action, even if he or she does not actually benefit from the disclosed information.

#### Patient Information

Pacesetter Health and its associates adhere to all regulations outlined by HIPAA. Violation of confidentiality is considered a serious breach of ethics and professionalism, is illegal under HIPAA, and is

grounds for immediate dismissal. All matters relating to patients are confidential and are never to be discussed outside the office or within hearing distance of any patient. Materials relating to patient care (charts, lab work results, schedules showing patient names, etc.) should never be left in areas where other patients might see them. Medical records and/or X-rays should never be dispensed without the patient first signing a Medical Record Release Form. Because our doctors need to review any medical records before their release, patients should be advised that it may be at least 24-hours before their records can be available. X-ray originals are never released to patients or their doctors, only copies of them. There may be a fee for x-ray copies.

Computer terminals displaying patient information should not be left in areas where patients might view them. The office restricts release of any information about a patient (name, address, age, sex, nature of illness or injury, general condition, etc.) to members of the public or press, other professionals, pharmacies, families, friends, etc., without the patient's written authorization. Requests from insurance companies for clinical information or medical histories should always be accompanied by a signed release from the patient or the patient's guardian. Telephone interactions with patients require particular discretion to maintain confidentiality.

It is important not to leave messages containing medical information or account balances owed on answering machines or with other parties. It is appropriate to leave a message requesting that the patient return your call at the office. In addition, if a caller asks if a particular patient is there or has an appointment scheduled, it is a violation of the patient's confidentiality if you divulge any information about the person's status as a patient.

## **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996**

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Pacesetter Health adheres to all regulations covered by the Health Insurance Portability & Accountability Act of 1996 (HIPAA,) and all employees are expected to abide by these rules as well. Any informational or technological break will be considered serious and may result in disciplinary action, up to separation of employment.

## **INTRODUCTORY PERIOD**

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The first three months of your employment is considered an introductory period. This is an opportunity for the Company to evaluate your performance. It also is an opportunity for you to decide whether you are happy being employed by the Company. During this period, you will be expected to read and familiarize yourself with this handbook, as well as other office sources of office policies and procedure. If you do not understand something, ask for help or clarification from your manager or supervisor. Our goal during this period is for everyone to feel comfortable and capable of succeeding in the new work relationship. The Company may extend the introductory period if it desires. Completion of your introductory period does not alter your employment at-will or other pay or employment classifications.

## **PROMOTIONS/TRANSFERS**

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The opportunity for promotion provides both motivation and reward for employees who have demonstrated their preparation and capacity for handling greater responsibility. In making selections for promotion or job transfers, consideration is given to prior job performance, attendance, ability, professionalism, knowledge, and experience required to perform the essential functions of the job.

If you would like to apply for a position that has been posted internally, you must first give your current manager the courtesy of letting him/her know of your interest. You may then contact the Human Resources Manager and after reviewing your qualifications, if applicable you will be interviewed for the open position. This procedure will also provide you and your current manager an opportunity to discuss future openings and growth potential in your current department. If you are selected to transfer to another department, it is customary for you to remain in your current position until after your replacement has been hired, and partially or fully trained. The Company reserves the right to not post all jobs internally and employment from within is not guaranteed.

## **PROFESSIONAL RELATIONSHIPS**

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All employees have a duty to further the Company's aims and goals, and to work on behalf of its best interest. All employees should avoid activities that could result in the appearance of a conflict of interest. Examples include accepting any type of fee or payment from individuals or organizations seeing to transact business with Pacesetter Health; taking advantage of any business or teaching opportunity that should be channeled through the practice; soliciting or profiting from the Company's client or prospect base or other Company asset or confidential information for personal gain. Substantial gifts and excessive entertainment from customers, consistent with the IRS tax laws, particularly suppliers seeking to do business of any nature with Pacesetter Health should be courteously and tactfully declined. Employees should report to their manager any situation or position (including outside employment by an employee or any member of an employee's immediate household) which may create a conflict of interest with Pacesetter Health, such as a partner, spouse, or family member working for a competitor or a supplier.

### Nepotism

The employment of relatives by the Company, although not prohibited, is discouraged. Family members or employees involved in a romantic relationship shall not work in the same office without the prior consent from the Pacesetter Health Executive team or Human Resources. Employees must disclose any relation you may have either by birth or marriage to any applicant or newly hired associate. Any employee directly supervising the work of a relative is strongly discouraged. If the employment of a family member or a personal relationship develops that causes conflicts or problems in the workplace, those involved may be transferred or their employment terminated. In addition, claims of partiality in treatment at work or personal conflicts from outside the work environment carried into day-to-day working relationships will not be tolerated. This policy shall apply without regard to gender, marital status or to sexual orientation.

### Fraternization

All employees must conduct themselves in a manner that promotes the efficient operation of our business, and that avoids misunderstandings, complaints of favoritism, potential problems in supervision, security, or morale, and possible claims of sexual harassment. It is inappropriate to pursue romantic or sexual relationships with any employees whom you have a direct or indirect supervisory relationship. It is also inappropriate to engage in such relationships with vendors or patients. These relationships can compromise the integrity of your actions at work and create the appearance of a conflict of interest. If such a relationship develops, it is the associate's responsibility to report it directly to your supervisor or Human Resources.

### Solicitation

Pacesetter Health wants to ensure that employees and customers are not bothered at work and that the workplace is not cluttered with litter by others who wish to solicit for their own or others' purposes (either

business or charitable) or memberships in organizations. However well-intentioned a solicitation may be, it can create unintended but uncomfortable situations for employees. For these reasons, the Company expects employees to comply with the following workplace procedures:

- Do not solicit co-workers for any activity or purpose while either the employee(s) doing the soliciting or the employee(s) being solicited is on working time. "Working time" does not include approved break or meal periods.
- Do not distribute literature (either in printed or electronic format of any kind) on working time or in working areas or on work computers at any time.
- Non-employees are prohibited from soliciting or distributing any written or printed material of any kind for any purpose on Company property at any time.
- Do not post on the premises, including bulletin boards and E-mail, any notices, signs or written materials. Company bulletin boards are reserved for official Company communications such as job openings and Company memoranda.

The only exception to this policy will be activities related to Company-sponsored charities. Nothing in this policy shall be interpreted as interference with our associates' rights under the National Labor Relations Act.

## DRESS CODE

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Pacesetter Health strives to maintain a workplace environment that functions well and is free from unnecessary distractions. We also understand that your personal appearance is an important element of self-expression. Our overarching goal is to have all associates maintain a neat and clean appearance that is appropriate for the workplace setting and for the work being performed. We expect you to take care of all of your personal hygiene, grooming, and wardrobe responsibilities before you come to work.

The Company has established a business casual dress code policy for Corporate employees. In addition to traditional business casual pants/slacks, jeans that are not faded and free from stains or tears are permitted. Employees are expected to demonstrate professional taste and good judgement when selecting clothes for a business casual dress code. In certain circumstances (such as introductions/board meetings/ prospect dinners), employees may be required to refrain from wearing jeans to present a more professional appearance.

## EMPLOYEE CLASSIFICATION

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The following classifications of employees provide a guide for determining employment status, benefits eligibility and hiring needs. These classifications do not guarantee employment for any specified period or otherwise alter the at-will relationship.

NON-EXEMPT employees are entitled to overtime pay under the specific provisions of Federal/state laws.

EXEMPT employees are excluded from specific overtime provisions of Federal/state wage and hour laws.

### Full-time

Full-time employees work at least a 30-hour work week on a regular basis. Additionally, all full-time corporate employees and physicians are eligible for Pacesetter Health's benefits program the 1<sup>st</sup> of the month following the date of hire.

### Part-time

Part-time employees are typically scheduled to work less than 30 hours per week. Normally, part-time employees should not work more than 30 hours per week. Part-time employees working 29 hour or less per week on a regular basis are not eligible for benefits.

### Temporary

Temporary employees are generally hired for a specific or limited period of time. Temporary employees are paid an hourly rate and receive no benefits. Continuation of employment beyond initially stated period does in no way imply a change in employment status.

As with all employees, your employment is subject to and governed by the employment-at-will doctrine.

Should a temporary employee be offered a regular position within the company the date which they become a regular employee shall be the date used to determine benefits eligibility.

### Intern

Intern employees are students or recent graduates undergoing supervised practical training. Interns are typically paid by the hour and receive no benefits.

### FLSA Exempt Salary Deductions and "Safe Harbor" Policy

The Fair Labor Standards Act (FLSA) provides standards for overtime pay. Exempt employees (those who are not entitled to overtime) must, in most cases, be paid on a salary basis. Accordingly, deductions from an exempt employee's pay are prohibited except in certain situations. This policy outlines those situations and implements an employee complaint mechanism for improper salary deductions.

Exempt employees paid on a salary basis must receive their full salary for the week except in the following seven situations:

1. Deductions from pay may be made when an exempt employee is absent from work for one or more full days for personal reasons, other than sickness or disability.
2. Deductions from pay may be made for absences of one or more full days occasioned by sickness or disability in accordance with a bona fide plan, policy or practice (including work-related accidents).
3. While full day deductions cannot be made for absences of an exempt employee occasioned by jury duty, attendance as a witness or temporary military leave, the company can offset any amounts received by an employee as jury fees, witness fees or military pay for a particular week against the salary due for that particular week.
4. Deductions from pay of exempt employees may be made for penalties imposed in good faith for infractions of safety rules of major significance.
5. Deductions from pay of exempt employees may be made for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace conduct rules. Such suspensions must be imposed pursuant to a written policy applicable to all employees.
6. The company is not required to pay the full salary in the initial or terminal week of employment. Rather, the company may pay a proportionate part of an employee's full salary for the time actually worked in the first and last week of employment.
7. The company is not required to pay the full salary for weeks in which an exempt employee takes unpaid leave under the Family and Medical Leave Act. Rather, when an exempt employee takes

unpaid leave under the Family and Medical Leave Act, the company may pay a proportionate part of the full salary for time actually worked.

Any other deductions from an exempt employee's salary are prohibited.

## WORK WEEK

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The work week consists of seven consecutive days beginning on Sunday and ending on Saturday. The usual workweek period is 40 hours and work hours may vary or change depending on the needs of the business. Scheduled shifts within this work week will vary.

## WORK SCHEDULE

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We make every effort to keep the hours of the practice consistent as well as your individual scheduled work hours. However, each Pacesetter Health office has the option to change the work schedule when necessary to meet the needs of our business and this could include weekend shifts when necessary. Employees are expected to be at the office and ready to work at the beginning and conclusion of the work schedule. All associates should be familiar with our Attendance Policy discussed later in this handbook.

The unpredictable nature of being a healthcare provider may occasionally require a longer than normal workday. When that happens, the team will be expected to stay if necessary. We will try to be flexible and rotate which employees need to stay late. Non-exempt employees who want to work more hours than scheduled must get approval from the office manager before working the extended hours. Overtime compensation is paid to all non-exempt employees in accordance with federal and state wage and hour requirements.

Each local office has established procedures for associates to occasionally change their regular work shift on a temporary basis in order to accommodate personal needs. This option is extended as a courtesy to our associates and should not be abused. Such a schedule modification should be requested in advance and can only occur with the approval of all associates and their respective supervisors. In all cases, Pacesetter Health's business needs will take priority in any decision regarding schedule shift changes requested by associates.

Your travel from home to work and from work to home is generally non-compensable. However, in those cases where a non-exempt employee is required to report to work at a site that is farther away than the regular worksite, the additional travel or commuting time may be compensable. The Portal-to-Portal Act controls these situations; to the extent that local state law provides great benefits for employees, state law will apply.

Doctors should contact their Regional Leadership if they will not be working their regular hours when taking any form of leave.

## BREAKS/REST PERIOD

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At a minimum, lunch breaks are regularly scheduled for 30 minutes and are unpaid. However, due to the special needs and conditions of patient care, the scheduling for lunch breaks may vary at the discretion of your site team. When patient needs require shortening the lunch break, it will be for at least 20 minutes. Rest and Meal Periods requirements vary in different states and localities and the Company complies with

all applicable laws and regulations. Generally, lunch periods must be coordinated in light of staffing needs and workflow of your office. Associates cannot forego lunch periods to make up for tardiness or shorten the workday, nor can they be saved up and taken as time off.

Federal law does not require rest breaks. However, some state laws require short rest breaks for each period of work of four hours. Depending on your work location, your management team will work with you to accommodate these types of breaks. Breaks under 20 minutes are paid and thus, employees should not be clocking out for breaks of less than 20 minutes. Keep in mind that each office has its own schedule and will be handled individually in accordance with these policies. Anytime you leave the office for personal reasons for longer than 20 minutes, unless otherwise directed by management, you should clock out and check with your supervisor before leaving the work premises. The consequences for not following this policy may include disciplinary action.

### Lactation Breaks

The Company will provide a reasonable amount of break time to accommodate a new mother's need to express milk, in accordance with and to the extent required by applicable law. This break time, if possible, should run concurrently with rest and meal periods already provided. If the needed break time cannot run concurrently with the associate's rest and meal periods, then the break time will be unpaid, subject to applicable laws. Depending on the operations of each facility and the demands of the business, it may not be possible to provide additional break time for this purpose.

Additionally, the Company will make reasonable efforts to provide breast-feeding mothers with an appropriate private space/room (that is not a bathroom) for this activity; this could include the employee using a private office, if applicable. Please your manager or Human Resources team if you need break time and an area for this purpose. Employees will not be discriminated against or retaliated against for exercising their rights under this policy.

## **MOONLIGHTING**

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Moonlighting (holding a job with another company or starting one's own side business) is not permitted unless pre-approved in from your manager. Manager moonlighting is greatly discouraged. Failure to obtain permission or disclosure could be grounds for dismissal. This is necessary in that you are hired and paid to devote your time and energies to your job here. If it is necessary for you to work at an additional job, in most cases, approval will be granted providing it is not a competitive business, customer, vendor or business partner and as long as you meet your performance standards and scheduling demands of your job at Pacesetter Health.

## **EMPLOYEE RECORDS**

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At the tie of hire, you provided us with personal information, such as a job application and resume, home address and telephone number. This information is contained in your personnel file. Your personnel file will grow to include such other information as your records of training, license or certification renewals, documentation of performance appraisals, salary history, and other employment records. Generally, only supervisors and management personnel of the Company who have a legitimate reason to review information in a file are allowed to do so. Any personal medical information provided to the Company is kept in a separate confidential file and is not part of your personnel file.



If you wish to review your file or have copies of information, you should contact your Regional Management team or Human Resources. With reasonable advanced notice, you may review your file in the presence of an individual appointed by the company to maintain the files. Except where otherwise required by law, copies of information are restricted to documents signed by you or authorized by Human Resources. If you are no longer employed with the Company, there will be a charge of \$30.00 to produce a copy of your file, unless prohibited by law. Requests for copies will be processed as soon as reasonably practicable. To submit your request, checks can be made payable to CGPP Management LLC and sent by mail along with your written request to:

Pacesetter Health  
Attn: Human Resources  
12140 Woodcrest Executive Dr., Ste. 325  
St. Louis, MO. 63141

Associates are responsible for keeping their personnel file information up to date. This is done by logging into Paycor's online self-service portal to update your information. Unreported changes of address, marital status, dependents, etc. can affect your withholding tax and benefit coverage. In addition, an "out of date" emergency contact or an inability to reach you in a crisis could cause a severe health or safety risk or other significant problem.

## COMPENSATION

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To attract and retain employees, Pacesetter Health endeavors to pay salaries competitive with those paid by other healthcare practices in the market. Your base will normally be reviewed annually on your anniversary date. Your total compensation consists not only of your salary but also includes the bonus opportunities and various benefits you are offered such as medical, dental and vision insurance coverage, life insurance and paid time off. Pacesetter Health reserves the right to evaluate your compensation at any time which may or may not result in a pay increase.

### Recording Your Work Time

Payroll is processed every two weeks with payday being every other Friday for a total of 26 payroll cycles per calendar year. A payroll schedule is created and distributed annually for each Pacesetter Health facility that outlines the workweeks included in each bi-weekly pay period. The "workweek" covers seven consecutive days beginning on Sunday and ending on Saturday.

We keep track of employee hours through Paycor and recording your hours each shift is the responsibility of every employee. It is important that all work time and attendance information be accurately and timely included in the timekeeping system each week to ensure that we process everyone's pay accurately with minimal corrections after-the-fact. You must clock in/out at the beginning and ending of your shift as well as other times that you are not in pay status (see Rest and Meal Periods in Your Work Schedule section.) Working off the clock is strictly prohibited. Associates who are unreliable in complying with the timekeeping process may be subject to disciplinary action, up to separation of employment.

Sometimes computer problems or other unforeseen issues can interfere with timely clock ins/outs and when this happens you should immediately alert your office manager so that your time reporting can be accurately recorded.

### Overtime

Any non-exempt employee who works overtime will be compensated at the rate of one and one-half times (1.5) their normal hourly wage for all time worked in excess of forty (40) hours each week, unless otherwise required by law. Remember that you must have prior approval from your manager to work any overtime hours. Paid Time Off, holiday and other unpaid absences during a week are not counted as “hours worked” for purposes of computing overtime pay eligibility.

#### Deductions From Your Pay

The company is required by law to make certain deductions from your paycheck each pay period. Such deductions typically include federal and state taxes and Social Security (FICA) taxes. Depending on the state in which you are employed and the benefits you choose, there may be additional voluntary deductions such as health insurance or 401(k) contributions. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each year for you on your Form W-2, Wage and Tax.

Pacesetter Health takes all reasonable steps to insure you receive the correct amount of pay in each paycheck, and you are paid promptly on the scheduled payday. 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. In the unlikely event there is an error, please bring the discrepancy to the attention of your supervisor or the Human Resources immediately. Errors or omissions will be corrected on the following regularly scheduled payday.

#### Payroll Errors or Overpayments

The Company is responsible for making timely and accurate payment of wages to employees. On occasion, due to errors in processing, timeliness of submission and reporting, an employee may be paid more than what is owed to them. The Company is responsible for retaining payroll related documentation and for reviewing payroll reports after each pay period to ensure that there are no discrepancies in employees’ pay. When a manager becomes aware of an error or overpayment, it is the responsibility of the manager to report the error as soon as it is discovered to Human Resources. When an employee becomes aware of an error or overpayment, the employee is responsible for reporting it to their manager or Human Resources as soon as its discovered.

Upon discovering that an error or overpayment has occurred, Human Resources will research the source of the error or overpayment and will calculate the amount paid in error, accounting for taxes, and other applicable earnings and/or deductions to be withheld. The Human Resources department will notify the employee and supervisor by email of the error or overpayment amount, the dates on which the error or overpayment occurred, how the error or overpayment occurred (if known) and provide notice that error or overpayment will be corrected, and where applicable, deducted on the next payroll cycle.

If an overpayment amount is less than fifty percent (50%) of the employee’s regular bi-weekly pay, it will be automatically deducted from the next regularly scheduled payroll cycle. Repayment installments will only be considered on an exception basis if the overpayment is significantly large and would cause a hardship to the employee to pay it back in one (1) payment or would bring the employee’s rate of pay below minimum wage. If installments are approved, the period for repayment will not exceed (3) months or the end of the calendar year, whichever is sooner. The full repayment amount must be received within the same calendar year as the overpayment.

#### Garnishment/Child Support

When an employee's wages are garnished by a court order, our company is legally bound to withhold the amount indicated in the garnishment order from the employee's paycheck and remit it to the creditor/court. Pacesetter Health will honor applicable federal and state guidelines that protect a certain amount of an employee's income from being subject to garnishment.

#### Direct Deposit

Pacesetter Health requires employees to use direct deposit to receive their pay, unless where prohibited by law. Direct deposit is safer and more efficient for transmitting pay and reduces the risk of errors in processing. In order to participate in direct deposit, employees need only have a checking or savings account at a bank or credit union. Employees can access direct deposit information via the online Paycor employee portal or by contacting the Human Resources department.

Employees who use direct deposit to receive their pay will typically have funds available in their accounts on the day that paper paychecks are distributed at each work location.

#### Pay Raises

Pacesetter Health endeavors to review each associate's performance annually. Increases in payrates or salary are not automatic. Depending upon your performance and our company's profitability, adjustments in your pay may be made when there has been an improvement in or sustainment of an already good performance during the review period. Pacesetter Health directly links wage and salary increases with performance.

### **ATTENDANCE AND PUNCTUALITY**

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Individual work efforts are very important to Pacesetter Health's overall success. Pacesetter Health depends on employees to report to work regularly and at the agreed time. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on your fellow employees and your managers. Any deviation from your scheduled hours should be approved by your direct manager under the PTO policy. When you are scheduling PTO or other foreseeable leave (such as military leave), you should speak with your supervisor or manager as far in advance as possible, preferably at least 30 days in advance.

We do recognize, however, that there are times when absences and tardiness cannot be avoided. In such cases, you are expected to notify your manager as early as possible, but no later than the start of your workday. Please call, stating the nature of your absence and its expected duration, every day that you are absent. If your direct supervisor is not available, you should speak with a member of the management team. Leaving messages or texting is not acceptable, nor is asking your spouse or anyone else to call on your behalf considered acceptable (except in extenuating circumstances.)

If you are absent for medical reasons for three or more consecutive business day, you will be required to provide a physician's statement confirming your suitability to return to work.

If you have excessive unscheduled absences, you will be subject to disciplinary action up to and including termination.

#### No Call/ No Show

If you do not call within the first four hours of any scheduled workday, it will be considered a no call/no show. Three consecutive days of no call/no show will be deemed a voluntary resignation.

## PAID TIME OFF (PTO)

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At Pacesetter Health we take pride in our employees' incredible work ethic. We want to reward and recognize that by offering an unlimited PTO policy where you can request time off as you see fit. PTO will not accrue or expire. We believe that it is important to be in the office consistently to effectively do your job, however, we also believe that in order to do your best work, you need a healthy work/life balance. This policy is based on a mutual trust between you, your team, your manager, and the Company as a whole.

This policy applies to Corporate employees of Pacesetter Health. With prior approval from your direct manager, the time off is yours to use as you see fit, so long as individual or team performance are not impacted by employee absences. Managers have the right to deny PTO requests based upon employee performance and/or business needs.

We do realize there are various types of leave at the workplace. This PTO policy applies to all types of leave, with the exception of FMLA, Parental Leave, Military Leave, Military Caregiver Leave, and extended personal or medical leave when FMLA does not apply. A maximum of 3 weeks of PTO per calendar year, taken consecutively or intermittently, may be applied to these specific types of leave. [Parental Leave](#) provides 8 weeks of paid leave. See policy below. When the PTO is exhausted, the remainder of the leave will be unpaid.

This policy is subject to change at any time with or without notice.

## FAMILY AND MEDICAL LEAVE ACT OF 1993

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The Family and Medical Leave Act of 1993 (FMLA) requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons. Employees are eligible if they have worked for a covered employer for at least one year, and for 1,250 hours over the previous 12 months, and if there are at least 50 employees within 75 miles.

FMLA leave must be granted for any of the following reasons:

- the birth of a child and to care for the newborn child within one year of birth;
- the placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
- to care for the employee's spouse, child, or parent who has a serious health condition;
- a serious health condition that makes the employee unable to perform the essential functions of his or her job;
- any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" **or**  
Additional 14 weeks up to 26 workweeks of leave during a single 12-month period to care for a covered service member injured in military line of duty with a serious injury or illness who is the spouse, son, daughter, parent, or next of kin to the employee (military caregiver leave).

Non-exempt employees must exhaust all earned, unused PTO time before continuing such leave on an unpaid basis. If the leave is for the employee's own serious health condition, the employee must use all available sick bank days after the unused PTO time before continuing the leave on an unpaid basis. Paid leave runs concurrently with FMLA leave.

How the 12 weeks of leave will be calculated:

The Family and Medical Leave Act provides for up to 12 weeks of leave in a 12-month period, which will be counted on a “rolling” 12-month basis. The “rolling” 12-month period will be measured backward from the date an employee uses any FMLA leave. Each time an employee takes FMLA leave the remaining leave entitlement would be the balance of the 12 weeks which has not been used during the immediately preceding 12 months.

Leave may be taken on an intermittent or reduced leave schedule, if medically necessary, in the case of a leave for the serious health condition of the employee or the employee’s spouse, child or parent. If an employee seeks leave on an intermittent or reduced schedule basis, he or she must submit medical certification and additional certification stating that intermittent leave is medically necessary is required.

Requesting FMLA leave:

The employee must provide the company (Human Resources) at least 30 days advance notice before FMLA leave is to begin, if the need for the leave is foreseeable. If 30 days notice is not possible, notice must be given as soon as practicable - ordinarily within one or two business days of when the need for leave becomes known to the employee.

Employees must submit written medical certification from a health care provider of a serious health condition to Human Resources. Failure to provide certification may result in a denial of continuation of leave. An employee who is on leave as a result of his or her own serious health condition must submit a doctor's written approval before returning to work.

The company reserves the right to require an employee to receive a second opinion from another health care provider if it has reason to doubt the certification. The company will pay for the employee to get a certification from a second doctor, which the company will select. If necessary to resolve a conflict between the original certification and the second opinion, the company will require the opinion of a third doctor. The company and the employee will mutually select the third doctor and the company will pay for the opinion. This third opinion will be considered final. The employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion.

Employee benefits while on FMLA leave:

While on FMLA leave, the employee must reimburse the company for their portion of their Medical/Dental insurance and/or for any Voluntary Life insurance premiums. While on paid leave, the company will continue to make payroll deductions to collect the employee's share of the premium. While on unpaid leave, the employee must continue to make this payment as instructed by Human Resources, either in person or by mail. Any employee who does not return to work from leave may be responsible to pay back any share of benefit premiums that Pacesetter Health has paid on their behalf (US Department of Labor Title\_29/Part\_825/29CFR825.312).

Non-exempt employees will not earn (accrue) any PTO time, or holiday hours while on unpaid FMLA leave.

Returning from FMLA leave:

If the employee has been out on FMLA leave for more than 3 consecutive days due to their own serious health condition, Pacesetter Health will require a release to return to work from the employee’s doctor.

An employee who takes leave under this policy will be able to return to the same position or to a position with equivalent status, pay, benefits and other employment terms. Employees who do not return to work at the end of the leave period will be considered to have voluntarily resigned. Certain key employees may

not be eligible to be returned to the same or an equivalent position. The company will notify employees of their key employee status under which job restoration may be denied.

## PARENTAL LEAVE

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The purpose of this policy is to give parents additional flexibility and time to bond with their new child and adjust to their new family situation. The policy shall also comply with all applicable laws and regulations. 8 weeks of Paid Parental Leave will be offered to Corporate Employees of Pacesetter Health in connection with the birth of an employee's child or the placement of an adopted child within an employee's home unless otherwise required by law or provided for separately in an employment agreement. A full time employee working 30 or more hours becomes eligible for Parental Leave under this policy after 12 months of employment. The provision does not apply to the adoption of a stepchild by a stepparent.

An eligible employee shall notify his or her supervisor of the need for Parental leave and include the estimated timing and duration of such leave as soon as is practical.

## MILITARY LEAVE

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Associates who are called into active military service, or to Reserve or National Guard training or duty, or enlist in the uniformed services, are eligible to receive an unpaid military leave of absence. You should notify your manager and submit copies of your military orders immediately to be eligible for military leave (unless providing such advance notice is impossible or unreasonable given all circumstances.) Generally, all benefits that operate on an accrual basis (PTO, time-in-service) will cease to accrue during any period of leave that exceeds 30 days. During your leave, if you wish to continue your health insurance benefits, you should continue payment of your employee portion of the premium. Reasonable effort will be made to return eligible employees to their previous positions or a comparable one if the employee reapplies as required by applicable law upon the conclusion of the leave period.

## BEREAVEMENT LEAVE

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We know the death of a family member is a time when you wish to be with the rest of your family. If you are a full-time or part-time employee and you lose a close relative, you will be compensated for up to three (3) scheduled days missed to assist in attending to your obligations and commitments. For the purposes of this policy, a close relative includes a spouse, domestic partner, child, parent, sibling; the employee's spouse's parent, child, or sibling; the employee's child's spouse; grandparents or grandchildren or any other relation required by applicable law. If the amount of bereavement leave is not sufficient, PTO may be used, or you may take unpaid leave. You must inform your manager prior to commencing bereavement leave.

## JURY DUTY

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Pacesetter Health realizes that it is the obligation of all citizens to serve on a jury when summoned to do so. Employees are expected, however, to provide proper notice of a request to perform jury duty and verification of their service. Employees also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. The Company will make no attempt to have your service on a jury postponed except where business

conditions necessitate such action. Associates who serve on jury duty leave will be paid in accordance with state law.

## TIME OFF TO VOTE

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The Company encourages all employees to fulfill their civic responsibilities by participating in elections. Generally, most employees have ample time to vote either before or after their regular work schedule. In the event an employee does not have sufficient time outside of working hours to vote in a municipal, county, state, or federal election, if required by state law, the employee may take off a maximum of two hours of working time to vote. Such time will be paid if required by state law. This time should be taken at the beginning or end of the regular work schedule. Arrangements should be made with the employee's supervisor in advance of the Election Day to allow for adequate staffing.

## PERFORMANCE REVIEWS

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Depending on your position and classification, Pacesetter Health endeavors to review your performance annually and at the end of the Introductory Period for new associates. This information becomes part of your permanent personnel file. Performance Reviews are designed to help employees note areas of achievement, discuss areas that need improvement, and plan for future professional development. Performance reviews are intended to be a two-way dialogue to enhance everyone's ability to contribute to our team's success. Pacesetter Health directly links wage and salary increases with performance.

## COUNSELING OR DISCIPLINARY PROCEDURES

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Pacesetter Health endeavors to maintain a positive work environment and each employee plays a role in fostering this environment. Accordingly, all associates are expected to adhere to the standards of conduct based on honesty, common sense and fair play. The observance of these rules helps to ensure that our workplace remains a safe and desirable place to work.

Generally, the Company will use a progressive approach to discipline in those cases where behavior modification is the goal. This is particularly appropriate where employee conduct falls short in the areas of, for example, minor job performance lapses, attendance, or dress-code compliance; by reminding you that we care about these issues (either verbally or in writing) our goal is to encourage you to improve your performance. Progressive discipline begins with counseling, both verbal and written, and moves on to more serious efforts to gain your attention such as written warnings or disciplinary suspension without pay. But some violations of company rules and policies are so serious on their first occurrence that immediate termination or another form of discipline is warranted. Documentation of any disciplinary issue will be maintained a part of an employees personnel file.

Any violation of policies outlined in the company handbook or by local policies will be reviewed on an individual basis and may be subject to disciplinary action up to and including termination.

## WORKPLACE VIOLENCE

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Pacesetter Health is strongly committed to providing a safe workplace. Therefore, the Company will not tolerate any form of workplace violence. It is our intention to minimize the risk of both personal injury to employees and damage to Company and personal property. Consistent with this policy and to the extent

permitted by law, Pacesetter Health prohibits the possession, use or sale of weapons, firearms or explosives on work premises, while operating equipment or vehicles for work-related purposes or while engaged in company business off premises by employees and visitors. (Weapons include, but are not limited to: firearms, ammunition of any kind; knives; explosives; chemicals which could make explosives; poisons; and objects which could be used to inflict bodily harm.) Employees and visitors are prohibited from carrying weapons onto Company premises. This policy applies to all employees, including those who have a valid permit to carry a firearm. This policy does not apply to firearms stored in the employee's locked motor vehicle.

For purposes of this policy, workplace violence includes:

- Making threatening remarks (written or verbal).
- Aggressive or hostile acts such as shouting, using profanity, throwing objects at another person, fighting, or intentionally damaging property.
- Bullying, intimidating, or harassing another person (for example, making obscene phone calls or using threatening body language or gestures, such as standing close to someone or shaking your fist at them).
- Behavior that causes another person emotional distress or creates a reasonable fear of injury, such as stalking.
- Intentionally damaging employer property or property of another employee
- Assault.

This list is illustrative only and not exhaustive. No form of workplace violence will be tolerated. If you are aware of behavior or actions that violate this policy or threaten to violate this policy, you should report this to your manager or Human Resources immediately. If you receive or overhear any threatening communications from an employee or outside third party, report it to the manager at once. All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and cooperate in any investigation of any suspected or actual cases of workplace violence. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy or cooperating in any investigation.

Violations of this policy, including your failure to report or fully cooperate in the company's investigation, may result in disciplinary action, up to and including discharge.

## **ON-THE-JOB INJURIES OR ACCIDENTS**

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The company makes every effort to comply with standards set forth by the Occupational Safety and Health Administration (OSHA). Everyone is expected to work to maintain safe and healthy working conditions. Always follow proper operating practices and procedures designed to prevent injuries and illnesses. In the event that an accident or injury occurs during the workday, you must report it reported as soon as possible to a manager or Human Resources. As an employee, under the law:

- You have the right and are encouraged to report work-related injuries and illnesses;
- You will not be discharged or in any manner disciplined for reporting work- related injuries and illnesses;
- Your employer is legally prohibited from discharging discriminating against anyone for reporting a work-related injury or illness.



Each Pacesetter Health facility maintains a Health & Safety Manual which includes the necessary forms and outlines the procedures to be followed in reporting a workplace injury or illness. Please work with your immediate manager to report health and safety concerns in a timely manner in accordance with the process contained in the Health & Safety Manual.

You are protected by the provisions of the State Worker's Compensation Act under which all employers carry specified insurance to provide medical and hospital care, at no cost to the employee, and certain compensation for lost time in case you suffer a compensatory accident while on the job. You can get details of your protection from the Human Resources department. Your company pays the full insurance premium cost of this protection.

Any violation that relates to the safety of the company's associates or patients, whether willful or not, will result in disciplinary action up to and including termination. We invite your suggestions that might improve the safety for our associates and anyone visiting our facilities.

## **WORKER'S COMPENSATION INSURANCE**

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You are protected by the provisions of the State Worker's Compensation Act under which all employers carry specified insurance to provide medical and hospital care, at no cost to the employee, and certain compensation for lost time in case you suffer a compensatory accident while on the job. You can get details of your protection from the Human Resources department. Your company pays the full insurance premium cost of this protection.

You must report any accident to your manager immediately and then inform the Human Resources department should an accident/illness occur during working hours. Managers should arrange for immediate medical attention and require a drug and alcohol test. Employees who do not report the accident and/or do not complete the drug and alcohol test within 24 hours of the accident will be subject to disciplinary action, up to and including termination of employment. Employees who damage company property, even if no injury occurs, will also be subject to this policy. Workers Compensation (and not the individual's health coverage) will cover eligible medical treatment. Employees are paid for the remainder of their workday in the event of a workers compensation injury.

## **DRUG AND ALCOHOL POLICY**

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Pacesetter Health is committed to protecting the safety, health and well-being of all employees and other individuals in our workplace. We recognize that alcohol abuse and drug use pose a significant threat to our goals. We also believe that a safe and productive drug-free workplace is achieved through cooperation and shared responsibility: Managers are required to fairly and impartially carry out the implementation of our policy on a daily basis and associates are not to report to work or be subject to duty while their ability to perform job duties is impaired due to the use of alcohol or other drugs.

The term drugs in this policy is defined as any drug or drug-like substance whose sale, use or possession is unlawful, e.g. heroin, cocaine and marijuana\*, or prescription drugs used in a manner other than as prescribed.

The Company has established a drug-free workplace program that balances our respect for individuals with the need to maintain an alcohol- and drug-free environment. Our drug-free workplace policy covers any employee or applicant for employment. This includes but is not limited to executive management, managers, full-time employees, part-time employees, off-site employees and applicants

The possession, use or sale of drugs is inconsistent with the company's objective of operating in a safe and efficient manner. Therefore, no employee shall use drugs or have drugs in his or her possession at any time during working hours or on the property of the company. Additionally, no employee shall report to work while under the influence of drugs. The company shall consider anyone who tests positive for drugs to be in violation of this policy.

The use of alcohol on the job by any employee is inconsistent with the objective of operating in a safe and efficient manner. Accordingly, no employee shall report to work under the influence of alcohol. No employee shall consume alcohol or have alcohol in their possession during working hours, or at any time on company premises. The only exception to this shall be company sponsored events where the company, at its discretion, may provide alcoholic beverages.

Employees violating this policy will be subject to termination. The unlawful involvement with drugs off company property will also constitute grounds for termination of employment.

If at any time an associate is suspected of violating the drug-free workplace policy, he/she may be asked to submit to a search. Searches can be conducted of pockets and clothing, lockers, wallets, purses, briefcases and lunch boxes, desks and workstations, and vehicles and equipment. Entering the Company's property constitutes consent to searches and inspections in furtherance of our drug-free workplace policy. Accordingly, anyone who fails to comply with a search will be subject to disciplinary action up to and including termination.

The Company reserves the right to conduct drug testing in the following circumstances:

- Post-accident: Any employee involved in an on-the-job accident requiring professional medical attention, involving property damage, or loss of work time may be subject to immediate testing.
- Reasonable Suspicion: Employees may be subject to testing based on a belief by company management that an employee is using or has used drugs in violation of this policy.
- Random Drug Test: Employees may be subject to random drug testing for compliance with this drug-free workplace policy. As used in this policy, "random testing" means a method of selection of employees for testing (by a third-party laboratory) where there is an equal probability that any employee from a group will be tested. Furthermore, Pacesetter Health has no discretion to waive the selection of an employee randomly selected by the outside lab by this method.

Even when properly used as prescribed, certain medication can affect an employee's ability to safely and competently perform their job duties. You should discuss possible side effects of prescription medication with your private care doctor. You should also review your job responsibilities with your physician to determine what safety precautions might be necessary on the job. If there is a potential problem, you should report the prescription medication to your Manager before starting work, so that alternative arrangements can be made if side effects might be of concern. This consultation with your manager shall be considered confidential.

Any associate who is convicted of a criminal drug violation must notify the Company in writing within five calendar days of the conviction. The organization will take appropriate action within 30 days of such notification, if applicable.

One of the goals of our drug-free workplace program is to encourage current and prospective employees to voluntarily seek help with alcohol and/or drug problems. If, however, someone violates the policy, the consequences are serious and could include termination of employment.

Employees who refuses to take the test, or who test positive for drugs or alcohol or who are under the influence of drugs or alcohol, or whose test sample tests positive for adulteration, dilution or substitution, will be terminated.

All information received by the organization through the drug-free workplace program is confidential. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies.

*\*Despite certain state laws, marijuana for medical or recreational use is a Drug Enforcement Administration listed Schedule I controlled substance and therefore is prohibited.*

## **TOBACCO POLICY**

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All Pacesetter Health facilities are tobacco free workplaces. As a healthcare company we are committed to promoting and demonstrating good health habits for both our associates and patients. Electronic cigarettes, vapor pipes and any device resembling the act of smoking, or the use of chewing tobacco is strictly prohibited on company leased or owned property. Should an employee choose to smoke during business hours he/she must do it out of sight of our patients and away from building entrances; discarded cigarettes or butts must be disposed of in a proper trash receptacle and not left on the ground in a parking lot or near public walkways.

## **INCLEMENT WEATHER**

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Corporate employees have the ability to log in to their laptops and work from any remote location. In cases of inclement weather, if an employee believes that he/she cannot commute safely between their home and the corporate office, the employee is required to notify their supervisor and receive approval to work from home. Likewise, should adverse weather conditions arise or be anticipated that would make it inadvisable to open the Corporate office, the CEO/COO will advise the corporate staff of the closure and employees will be expected to work from home. Employees who have scheduled PTO prior to any announcement of closure will not be expected to log in.

## **OFFICE SECURITY AND HOUSEKEEPING**

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We expect all our associates to be respectful and diligent in maintaining offices and equipment at all times. The Company invests time and money to decorate and furnish our facilities to provide you and our patients with a pleasant environment. Likewise, we invest in sensitive equipment (medical and non-medical) to ensure we can deliver the best care to patients. It's important that we all do our part to protect these resources and maintain a professional, welcoming treatment environment for patients and a comfortable workplace for every employee.

Each of our facilities is unique and has particular needs when it comes to housekeeping and maintenance. During your Introductory Period and new employee orientation you will become familiar with the procedures where you work, which may include but are not limited to:

- Use of kitchen facilities and employees' shared responsibilities for using and cleaning appliances and kitchen spaces

- The schedule and scope of duties for any outside cleaning services
- Requirements regarding employee entrances and “employee only” areas of the office
- Opening and Closing procedures for the office
- Stocking and cleaning of restroom facilities
- Maintenance of any reception or waiting area for patients
- Employee parking areas
- Special requirements regarding the disposal/storage/inventory of drugs, drug samples or other biological materials

If you don't understand something or have an idea for improving our housekeeping processes, please speak up and bring your concerns or questions to your supervisor or Executive Leadership.

### Office Visitors

We like to be friendly, hospitable, and cooperative with people who wish to visit our practice. This includes outside groups such as school classes and small parties of employee relatives. However, for safety and convenience of everyone concerned certain guidelines should be followed:

- Unauthorized visitors will be asked to leave the office immediately.
- Anyone wishing to host or escort a group in the office should contact the Office Manager as far in advance as possible to allow for adequate preparation and minimum disruption to the practice.
- While escorting any visitors, you will be responsible for the visitor's safety; any visitor who creates a disturbance or who acts in any way which endangers their own safety or others will be asked to leave the office immediately.

### Workplace Searches

In addition to any workplace search done in furtherance of our Drug- and Alcohol-Free Workplace policy Pacesetter Health reserves the right to conduct searches to protect both Company property and employee safety, consistent with state laws. This may include the inspection of any packages, parcels, purses, handbags, briefcases, lunch boxes or any other possessions or articles carried to and from the facility. The company reserves the right to search any employee's office, desk, files, locker, equipment or any other area or article on our premises. In this regard, it should be noted that all offices, desks, files, lockers, equipment, etc. are the property of the company, and are issued for the use of associates only during their employment. Any employees working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as anyone who after the inspection is believed to be in possession of stolen property or illegal substances, will be subject to disciplinary action up to and including discharge.

## **BENEFITS**

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Pacesetter Health provides you and your family with a wide range of benefits designed to assist you and your eligible dependents in meeting the financial burdens that can result from illness, disability and death. We also provide benefits to enhance your job-related skills and plan for retirement.

Our full-time employees qualify to participate in all our benefit plans once they meet any time-in-service prerequisite.

The next few pages contain a brief outline of the benefits programs Pacesetter Health provides for you and your family. The information presented here highlights certain aspects of some of the plans and is

intended to serve only as general information. The details of each plan are spelled out in the official plan documents and are summarized in the summary plan description (“SPDs”) for the plan. The language of the official plan documents shall override any information in either the SPDs, this handbook, or other sources of general information about the plans.

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

#### Medical, Dental and Vision Insurance

All regular full-time employees are eligible for our medical, dental and vision insurance on the first of the month following 30 calendar days of full-time employment. This is a shared cost benefit where the Company pays most of the cost of individual premiums and associates pay the balance through payroll deductions. You must enroll within your first 30 days of full-time employment. Annually, Open Enrollment for this plan is scheduled in the fall with elections and changes becoming effective on January 1st of each year.

If a qualifying event occurs, the employee has 30 days to enroll in the plan. Qualifying life events include marriage, divorce, birth, or involuntary loss of other coverage. Changes and/or proof of the event submitted beyond this grace period may not be accepted.

Your group health insurance coverage terminates on the last day of the month following your last day worked. Should an event occur that makes you or your dependents ineligible to participate in the health insurance plan, you may have the right through COBRA to maintain coverage by paying the full amount (Company contribution plus employee contribution) each month directly to the insurance carrier. COBRA information will be mailed to your home following your date of termination or change in status.

A comprehensive benefits list can be found in the new hire benefit packet.

#### Life Insurance

As a full-time associate at Pacesetter Health, the company provides a basic \$20,000 life insurance policy for you at no cost. Associates can purchase additional life insurance coverage at low cost through our company plan when you sign up and enroll in other benefit plans.

#### 401(k) Savings Plan

The Company recognizes the importance of saving for retirement and offers eligible employees a 401(k) savings plan. The Pacesetter Health 401(k) is administered by Fidelity. All full-time associates who are 21 years of age at the time of enrollment and have completed 3 months of service are eligible to enroll in this savings and investment plan. Under this plan, money is diverted from your weekly pay directly to the investment options you choose; you are not taxed on this deferred income until you take the money out of the plan when you reach retirement. The details of the plan’s operation and enrollment options are available from Human Resources at the time you become eligible.

Currently Pacesetter Health matches 100% for the first 3 % of contributions, and 50% on the next 2%.

### **CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT**

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The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the company's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events

include, but are not limited to, resignation; 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 company does not have to offer COBRA benefits to an employee who is terminated due to gross misconduct.

It is the employee's responsibility to notify the company within 31 days, in the event that the employee believes a "qualifying event" has occurred.

Under COBRA, the employee or beneficiary pays the full cost of coverage at the company's group rates plus an administration fee. The company provides each eligible employee with a written notice describing rights and obligations granted under COBRA when the employee becomes eligible for COBRA coverage under the company's health insurance plan.

Current COBRA rates may be obtained from Human Resources. Rates are subject to change. The length of COBRA coverage depends upon specific circumstances. For further information about COBRA, please contact Human Resources.

## PAID HOLIDAYS

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Pacesetter Health recognizes and pays eligible full-time associates their regular pay for the following seven holidays when worksites are closed:

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

Associates receive holiday pay when

- the holiday falls or is celebrated on a regular workday, and
- the holiday falls within an associate's approved period of PTO, and
- the associate is in paid status (working or on approved PTO) the day before and the day after the holiday

Employees whose normal day off falls on the observed day will not be paid for the holiday.

## PROFESSIONAL DEVELOPMENT

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Our company believes in supporting the individual growth of its employees. Seminars, certifications and continuing professional education is what keeps our associates innovating and improving and makes our teams so successful. This training benefits you in your current job and is something you can build upon throughout your career.

Associates must have the approval from their manager prior to registering for a seminar or certification. Once approved, the company will pay the full cost of the program. Our expectation is that any employee who earns a company reimbursed certification will stay employed with Pacesetter Health for at least one

year following successful completion of the certification. If an employee leaves Pacesetter Health before one year, the fees associated with the certification will be withheld from the employee's final paycheck.

On occasion, you may be asked to share key learnings or insights from any new information presented at a seminar or conference you attended at company expense with other members of the team

## COMPUTER USE

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Pacesetter Health communication and computer systems are intended primarily for business purposes. In order to prevent against misuse, the Company reserves the right to monitor, intercept, and review, without further notice, every employee's activities using the company computer resources and communications systems, including but not limited to email (both outgoing and incoming), telephone conversations and voice-mail recordings, instant messages, and internet and social media postings and activities, and you consent to such monitoring by your acknowledgement of this policy and your use of such resources and systems. This might include, without limitation, the monitoring, intercepting, accessing, recording, disclosing, inspecting, reviewing, retrieving, and printing of transactions, messages, communications, postings, logins, recordings, and other uses of the systems as well as keystroke capturing and other network monitoring technologies.

The reasons for which the Company may obtain such access include but are not limited to maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

The Company's policies prohibiting harassment, in their entirety, apply to the use of Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law. Using the internet (including social media) to access pornographic, sexually explicit, or "hate" sites, or any other website that might violate law or the Company's policies against harassment and discrimination is never permitted.

Moreover, since the Company's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords. All usernames, pass codes, passwords, and information used or stored on the Company's computers, networks, and systems are the property of the Company. It is the responsibility of each employee to adhere to Company security guidelines, which may be distributed periodically, including but not limited to the creation, format, and scheduled changes of passwords.

We understand the convenience to associates occasionally using our work systems for personal activities. Therefore, limited personal usage is permitted if it does not hinder performance of job duties or violate any other Company policy. This includes the voicemail, email and Internet systems. Personal use of internet, Company or personal provider, should be limited to personal email and web browsing during lunch and break periods. Video streaming (e.g., You Tube, Netflix) is prohibited during work hours except for approved training purposes.

Users have no legitimate expectation of privacy regarding their use of the Pacesetter Health's systems. Do not use the Company's communication and computer systems for any matter that you desire to be kept private or confidential from the Company.

#### Using Personal Devices for Work

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

Please note that whether employees use their personal device or a Company-issued device, the Company's electronic communications policies, including but not limited to, proper use of communications and computer systems, remain in effect. All conversations, text messages and emails must be professional. When sending a text message or using a device for business purposes, whether it is a Company-provided or personal device, employees must comply with applicable Company guidelines, including policies on sexual harassment, discrimination, conduct, confidentiality, equipment use and operation of vehicles.

#### Important Reminders for All Users

- The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.
- Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.
- No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization; No employee shall share usernames, passcodes, or passwords with any other person except for the administrative assistant assigned to that employee, if applicable.
- Unfortunately, users of email and text messaging will occasionally receive unsolicited commercial or bulk messages (spam) which, aside from being a nuisance, might be a means to spread computer viruses and other malicious software. Avoid opening unsolicited messages and report any suspicious messages to the administrator. Delete all spam immediately. Do not reply to the message in any way.
- You are never permitted to use the Company's communication and computer systems, including email, text messaging, internet access, social media, telephones, and voicemail, for any inappropriate or unlawful purpose. This includes but is not limited to:
  - Misrepresenting yourself as another individual or company.
  - Sending, posting, recording, or encouraging receipt of messages or information that may be offensive because of their sexual, racist, or religious content.
  - Revealing proprietary or confidential information, including official Company information, or intellectual property without authorization.
  - Conducting or soliciting illegal activities.
  - Representing your personal opinion as that of the Company.
  - Interfering with the performance of your job or the jobs of other Company employees.
  - For any other purpose that violates Company policies or practices.



Associates who violate any part of this policy will be subject to disciplinary action, up to and including termination. This policy is not intended to restrict communications or actions protected or required by state or federal law. It is important that all associates understand that the by using the Company's communication and computer systems you acknowledge that you understand and agree to the terms and conditions of the policy outlined above, as a condition of employment.

## **SOCIAL NETWORKING**

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Pacesetter Health respects the right of any employee to maintain a blog or web page or to participate in social or professional networking sites. Protecting the Company's business reputation is part of every employee's job. It is important to remember that conduct otherwise prohibited under the Company's policies, employee obligations, or the law if expressed in any other form or forum is likewise impermissible if expressed through a blog, web page, social networking, or similar site. This policy is not intended to restrict communications or actions protected or required by state or federal law. To protect Company interests and ensure employees focus on their job duties, employees must adhere to the following guidelines:

- Employees may not post (for personal purposes) on a blog or web page or participate on any social networking, or similar site during working time or at any time with Company equipment or property.
- All rules regarding confidential and proprietary business information apply in full to blogs, web pages, social networking, or similar sites. Any information that cannot be disclosed through a conversation, a note or an email also cannot be disclosed in a blog, web page, social networking, or similar site.
- Whether an employee is posting something on his or her own blog, web page, social networking, or similar site or on someone else's, if the employee mentions the Company and also expresses either a political opinion or an opinion regarding the Company's actions, the employee must include a disclaimer. The employee should specifically state that the opinion expressed is their personal opinion and not the Company's position. This is necessary to preserve the Company's goodwill in the marketplace.
- This policy also applies to and prohibits online statements made about current and former employees or patients of Pacesetter Health that are harassing, discriminatory, physically threatening, or otherwise unlawful or prohibited by any Company Policy.

Pacesetter Health encourages all employees to keep in mind the speed and manner in which information posted on a blog, web page, and/or social networking site is received and often misunderstood by readers. Employees must use their best judgment.

Failure to follow these guidelines may result in discipline, up to and including termination.

## **BUSINESS EXPENSE REIMBURSEMENT**

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### General Policy

Employees are expected to exercise restraint and good judgment when incurring expenses on behalf of Pacesetter Health. All expenses either submitted for reimbursement or charged to a Company-issued credit card should be reasonable and necessary to support the Company's business objectives. Pacesetter

Health has established this policy in order to protect the assets of the Company and employees are expected to comply with this policy and related procedures where applicable. Employees must submit a description of the business purpose and receipts within 30 days.

Employees incurring expenses paid for with a Company-issued Divvy Visa card are required to attach the receipt in the Divvy system along with the assignment of the proper location code, accounting code and a brief description of the purpose of the charges. This should be completed by the end of each month in which the expense was incurred. In the event that a receipt cannot accompany an expense, approval must be provided by the employee's supervisor.

IRS Guidelines for reimbursement require that expenses meet the following criteria:

- Ordinary and necessary in business, not lavish or extravagant
- Supported by the original receipt
- Documented with a business purpose

You should contact your manager in advance if you have any questions about this policy or whether an expense will be reimbursed or approved.

#### Meals and Entertainment

The following should be used as guidelines for expenditures for meals:

- Breakfast - up to \$15/ person
- Lunch - up to \$20/ person
- Dinner - up to \$35/ person (including beverages)
- Alcohol - Cocktails that are not purchased in conjunction with a meal are not reimbursed by the Company; however, Pacesetter Health will pay for a moderate-priced drink with dinner as part of the \$35/person guideline

The meal amounts shown may vary by city due to cost-of-living adjustments. These are to be used as general guidelines.

#### Personal Meals

"Personal Meals" are defined as meal expenses, including tips, incurred by an employee when dining alone or with other Company employees on an out-of-town business trip. Reasonable and actual Personal Meal expenses incurred while on Company business are reimbursable within the limits mentioned above.

- Each Personal Meal costing \$25 or more must be documented in the form of a cash register receipt, hotel receipt or credit card receipt. The use of a "cash tear tab" from the bottom of a restaurant check is not an acceptable receipt.
- Personal Meals at establishments that provide "sexually oriented" entertainment are not reimbursable. Meals consumed alone while not on a Company business travel assignment are not reimbursable.

#### Business Meals

"Business Meals" are meals, including tip, taken with outside parties during which specific business discussions take place. Employees will be reimbursed for reasonable Business Meal expenses. The cost of

each Business Meal costing \$25 or more must be documented in the form of a cash register receipt, hotel folio or credit card receipt; the use of a "cash tear tab" from the bottom of a restaurant check is not an acceptable receipt. In the following circumstances, meals purchased by an employee for other Company employees or service providers are considered reimbursable Business Meals if such meals are related to the conduct of Company business and at least one of the following conditions is met:

- A customer or business prospect is present for business development purposes
- Business is conducted off Company premises
- For Employee reward, recognition, retirement, or other appropriate business purpose

When more than one employee is present at a Business Meal, the most senior level employee should pay and expense the bill. The senior person should be sensitive to situations where payment by the senior person present will create an awkward situation. For example, when the senior person present is an invited guest of another organization, it is not usually appropriate for the invited guest to pay the bill. If the most senior person present approves an expense statement that includes his or her Business Meals, the approver must disclose that fact by attaching a note to the approved statement.

Regardless of the Business Meal cost, the following information must be recorded on the Business Meal expense report to meet IRS requirements or it is not deemed reimbursable:

- Name, title, and company affiliation of each person present;
- Name and location of where the meal or event took place;
- Exact amount and date of the expense; and
- Specific business topics discussed

Lavish or extravagant Business Meal expenses (defined as costing more than \$100 per person) are not reimbursable without the prior approval of the Chief Executive Officer or Chief Financial Officer. Business Meals at establishments that provide "sexually oriented" entertainment are not reimbursable.

### Conferences and Seminars

Employees must have prior approval to participate in company-sponsored training, continuing education or seminars. In all cases reimbursement will be limited to that approved by the associate's manager but in no case will reimbursement exceed the lowest registration cost or at the "Early Bird" fee available to participants unless a higher amount is authorized in an existing employment agreement.

## **TRAVEL**

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### Airfare

Employees are expected to obtain the lowest available airfare that reasonably meets business travel needs. Airfare may be prepaid by the Company. Employees are encouraged to book flights at least 30 days in advance to avoid premium airfare pricing. Coach class or economy tickets must be purchased unless approved in advance by your manager. For reimbursement an original itemized airline receipt including any baggage fees, an e-ticket receipt/statement or an Internet receipt/statement is required. Employees will only be reimbursed for baggage charges as follows: Up to 4 nights travel per trip – 1 bag, 5 nights or more per trip – 2 bags.

### Car Rental

The Company will reimburse for the most economic vehicle available. In certain circumstances larger vehicles may be rented, with supervisory approval. The rental agreement must clearly show the date and the points of departure/arrival, as well as the total cost. Employees must adhere to the rental requirements, and restrictions must be followed. Original receipts are required.

Car rental insurance is covered by the Company's insurance policy, so any additional insurance offerings should be declined when renting vehicles.

### Hotel

The Company will reimburse lodging expenses at reasonable, single occupancy or standard business room rates. Charges for movies, beverage bar or other unusual charges will not be reimbursed. When the hotel or motel is the conference or convention site, reimbursement will be limited to the conference rate.

Only single-room rates are authorized for payment or reimbursement unless the second party is representing the Company in an authorized capacity. If the lodging receipt shows more than a single occupancy, the single-room rate must be noted. If reimbursement for more than the single-room rate is requested, the name of the second person must be included.

### Miscellaneous Travel Expenses

Original receipts are required for tolls, parking, taxi, subway, ferry, or other forms of transportation. The hotel receipt can be used as a parking receipt when parking fees are included with the hotel bill.

## **OPEN DOOR POLICY**

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In an effort to establish harmonious working relationships among Pacesetter employees, an open-door policy has been established for resolving employee problems and misunderstandings.

When a misunderstanding or problem arises, a sincere effort will be made to resolve it in the following manner:

STEP 1: If you have a problem, discuss it first with your manager. Your manager has been trained to work with you on solving your problems.

STEP 2: If you and your manager cannot resolve your problem, or if you are not satisfied with the settlement or the manager's decision, you may refer, if appropriate, the matter to your department manager.

STEP 3: If you still do not have a satisfactory disposition of the matter, you should make an appointment with the Human Resources Director or an officer of the company. If you have a justifiable complaint, it will be reviewed by management who will make every last effort to resolve the matter in a satisfactory way.

## **SEPARATION FROM EMPLOYMENT**

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### Voluntary Resignation

To resign in good standing, submit your letter of resignation to the company at least two weeks in advance of your resignation effective date. This will entitle you to receive pay for unused accrued PTO time (after 90-day introductory period). Employee will be paid through his/her last day worked. If two weeks advance

notice of resignation is not received prior to termination, PTO time accrued to date which exceeds actual PTO time used at the time of termination will be forfeited (except where prohibited by state law).

### Involuntary Separation

All employment with Pacesetter health is on an at-will basis barring employees with signed employment agreements that state otherwise. Although the company hopes our relationships with our employees are long term and rewarding, the Company reserves the right to terminate employment at any time, with or without cause or notice.

In the case of Separation from Employment:

- Employee will make every effort to pay any outstanding balances owed to the Company. Deductions will be taken from payroll unless prohibited by law. Examples include but are not limited to: lab fees, continuing education, signing bonuses, etc...
- All Company property must be returned, including, but not limited to: credit cards, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc...
- Payment for any lost or damaged Company property will be repaid to the company, through payroll deduction unless prohibited by law
- Employee health benefits will continue through the last day of the month following the last day worked; COBRA information will be provided shortly following separation

Final paycheck distribution will be in accordance with standard payroll processing, so long as the separating employee has satisfied all obligations noted above. Failure to do so may result in withholding of a final paycheck unless prohibited by law.

### **REHIRE**

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Individuals who leave Pacesetter Health are eligible for rehire if they left in good standing. Any re-hired associate must complete a new Introductory period regardless of having completed such period during a previous tenure. Such employees are considered new employees from the effective date of their re-employment for all purposes, including the accrual of PTO and time-in-service.

### **POLICY OR TRAINING VERIFICATION**

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Associates of Pacesetter Health may be asked to sign documents acknowledging receipt of additional training or policy information such as when you acknowledge this handbook at the time of hire. This information is kept in your personnel file. Your signature affirming receipt and knowledge of particular policies or procedures will be dispositive in any discrepancy between employee actions and company policy and expectations.