

KMS PAYROLL SERVICE EMPLOYEE HANDBOOK

KELLY
MANAGEMENT
SERVICES

Table of Contents

WELCOME TO KELLY	4
EMPLOYMENT WITH KELLY MANAGEMENT SERVICES	5
EMPLOYMENT ELIGIBILITY.....	5
UNDERSTANDING YOUR EMPLOYMENT RELATIONSHIP WITH KMS.....	5
CONFIDENTIALITY	5
USE OF KMS AND CUSTOMER PROPERTY AND RESOURCES.....	6
EMPLOYEE FILE REVIEW AND RECORD ACCESS.....	6
CHANGE IN YOUR PERSONAL DATA.....	6
SECONDARY EMPLOYMENT	6
HIRING FORMER EMPLOYEES	7
ATTENDANCE AND TARDINESS	7
PERSONAL CONDUCT.....	8
GETTING PAID	9
PAY POLICY.....	9
DIRECT DEPOSIT.....	10
PAYROLL CARD.....	10
OVERTIME	10
PAYCHECK INQUIRIES.....	10
REVIEW PAY STUBS & REPORT ANY ERRORS.....	10
PAYDAYS	11
EXPENSE REIMBURSEMENT.....	11
EQUIPMENT	11
SUBMITTING HOURS WORKED	11
POLICIES FOR LEAVE OF ABSENCE	12
FAMILY AND MEDICAL LEAVE ACT (FMLA).....	12
MILITARY LEAVE.....	12
MEDICAL LEAVE.....	13
BENEFITS.....	14
GROUP MEDICAL INSURANCE	14
401(k).....	14
SAFETY & SECURITY.....	15
EMERGENCY CLOSINGS.....	15
SERVICE OF LEGAL PROCESS.....	15
NOTIFICATION OF NON-WORK-RELATED EMPLOYEE DEATH.....	15
WORKERS' COMPENSATION.....	16
WEAPONS.....	16

IF YOU LEAVE KMS	16
TERMINATION TYPE	16
GENERAL INFORMATION	17
STANDARD EMPLOYMENT PRACTICES	18
EQUAL EMPLOYMENT OPPORTUNITY	18
FOREIGN CORRUPT PRACTICES ACT.....	18
DRUG-FREE WORKPLACE AND SUBSTANCE ABUSE POLICY.....	18
DRUG SCREENING POLICY	19
WORKPLACE VIOLENCE POLICY.....	20
WEAPONS POLICY	20
CRIMINAL BEHAVIOR POLICY	20
BACKGROUND SCREENING POLICY	21
AT WILL EMPLOYMENT STATEMENT.....	21
HARASSMENT POLICY	21
PRIVACY STATEMENT	23
DEFINITION OF TERMS	24
RESOURCES	26
PAYROLL CENTER HOTLINE	27

Welcome to Kelly

By choosing Kelly Management Services, you join over 15 million people who have worked for Kelly Services since William Russell Kelly founded the company in 1946.

You are joining a large but select group of professionals that work in more than 30 countries around the world. Kelly employees work a variety of jobs including:

- Accountants
- Administrative assistants
- Assemblers
- Attorneys
- Clerks
- Computer programmers
- Customer service representatives
- Data entry operators
- Engineers
- Home health aides
- Lab technicians
- Marketing representatives
- Nurses
- Substitute teachers
- Security cleared professionals

Kelly Management Services (KMS) is the business unit of Kelly Services that provides "Best-in-Class" outsourcing solutions to three main service lines: Office Services, Call Center, and Warehousing/Distribution.

We take great pride in our commitment to be the world's best staffing services company and to be recognized at the best.

The fundamental strength of Kelly Management Services (KMS) is our people. We have achieved a long and successful record of outstanding business and community accomplishments as a result of the collective efforts of all our employees. Your role in providing effective customer service is especially important because, as a KMS contract employee at the customer's location, you represent KMS to the customer.

This handbook outlines your responsibilities as a KMS employee. KMS retains the right, at any time, to amend, modify, terminate or replace any of the policies described in these materials.

We wish you success in your career with Kelly Services.

Thank you!

Employment with Kelly Management Services

Employment Eligibility

KMS complies with the Immigration Reform and Control Act of 1986, which requires KMS to complete and maintain employment eligibility verification on all newly hired employees.

KMS does not discriminate in its employment practices (e.g., recruiting, hiring, discharging, etc.) against any individual eligible to work in the United States because of that individual's national origin or citizenship status.

At the time of hire, you are required to complete the U.S. Justice Department Form I-9 that requires original documentation establishing your identity and employment eligibility to work in the United States. KMS will not specify which documents will be acceptable from you, but will verify the authenticity of the documents and record the required documentation within three business days of your hire date.

KMS will update and re-verify your employment eligibility on or before the expiration date of the work authorization document, at the time your name has changed, or when you are rehired.

Failure to produce acceptable documents, or the use of fraudulent documents, can result in termination of employment, and civil or criminal penalties.

Understanding Your Employment Relationship with KMS

Your employer, KMS, is responsible for all employment issues including but not limited to pay, benefits, performance, personnel matters, and other employment terms and conditions.

As a KMS employee, you are assigned to work at our customer's facility. There is no employment relationship between you and the customer. Discuss all employment issues with your KMS Service Coordinator, not with customer representatives. Failure to adhere to this guideline could result in disciplinary action.

The terms of your employment with KMS are not guaranteed; either you or KMS may end the relationship at any time. Thus your employment is considered to be "at will." In addition, the duration of your assignment is based on customer need and may vary or change without notice.

Confidentiality

If you have access to KMS' proprietary and confidential information, or to the personal and sensitive information of customers, applicants, and employees, remember that all information and information systems, regardless of form, is owned by and the property of KMS or Elizabeth Arden. This includes, but is not limited to, any work that you develop or assist in developing during your employment with KMS or its customers.

As a condition of employment, you are required to sign the *Communication and Information Systems User Agreement*, found on the back of our employment application. By signing the agreement, you agree to safeguard from unauthorized use, disclosure, modification, destruction, or loss any proprietary or confidential information or information systems that you have access to

through your employment with KMS. If such information is not properly safeguarded, it could result in adverse consequences such as financial loss, disruption of business, violation of federal or state laws, or breach of customer or employee confidentiality.

If you violate any terms of the *Communication and Information Systems User Agreement*, you may be subject to disciplinary action up to and including termination of employment and/or pursuit of civil or criminal prosecution.

Use of KMS and Customer Property and Resources

You are personally responsible for the proper use of any KMS or its customer's property or resources that you control, or to which you have access. Personal use of the phone system to make local calls should be kept to a minimum. Personal toll or long-distance calls should not be made on the KMS or customer systems.

You may not take or use KMS or its customer's property, resources, supplies, or employee services for your personal benefit, or for the benefit of unauthorized third parties.

If you have responsibility to approve or certify the correctness of a voucher, bill, invoice payment approval, or expense report, you are responsible to conduct a review or inquiry sufficient to establish good faith belief that the purchases, accounts, expenses, and receipts are legitimate for payment.

You must ensure proprietary information is used for its intended purpose and not for personal or third party advantage.

If you are responsible for acquiring or disposing of KMS or its customer's property or resources, or are authorized to incur liability, you must stay within the approved limits of authority as prescribed by KMS or customer management.

Employee File Review and Record Access

KMS will make your personnel file available for your review consistent with the legal requirements of the state in which you are performing work.

Change in Your Personal Data

If you have any name, address, phone, emergency contact, or educational degree changes, you are responsible for notifying KMS. You can reach your KMS Service Coordinator by telephone (888) 9-SPRITZ or (888) 977-7489 or by email at elizabetharden@kellyservices.com.

Secondary Employment

KMS allows you to engage in outside work as long as it does not do any of the following:

- Interfere with your scheduled hours, including overtime and on-call duty
- Adversely affect your job performance and the ability to fulfill all responsibilities to KMS or its customers
- Represent a conflict of interest (e.g., working for a competitor, performing services for a customer on non-working time, or using KMS' information, resources, or techniques).

Guidelines

- You must obtain prior approval from your KMS Service Coordinator before accepting secondary employment.
- If you accept secondary employment with another Kelly office you must notify KMS immediately, as it will affect your payroll.
- Secondary employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours.
- If you have accepted secondary employment, you are not eligible for salary continuation or a leave of absence when the absence is used to work at the secondary job or is a result of an injury sustained on that job. Fraudulent use of a leave of absence will be cause for disciplinary action up to and including termination of employment.
- If you accept secondary employment that interferes with your position at KMS or its customer, or violates this policy, you will be subject to disciplinary action up to and including termination of employment.

Hiring Former Employees

KMS may rehire you if you meet the eligibility requirements of the position and previously left KMS under good terms.

Attendance and Tardiness

KMS expects you to be reliable and punctual in reporting for scheduled work. If you are unable to report to work, are going to be late, or need to leave early, notify your onsite customer manager as far in advance as possible. Tell your onsite customer manager the reason for your tardiness or absence and an indication of when you will be expected to report to work.

Failure to show up for a scheduled shift and failure to call and inform your onsite customer manager will result in termination from the assignment with a non-eligible status for rehire. Unauthorized or excessive tardiness or absences may result in disciplinary action, correction in paid wages, or other actions up to and including termination of employment.

Personal Conduct

As an integral member of the KMS organization, you are expected to maintain professional personal conduct and exhibit a high degree of personal integrity. This involves not only respecting the rights and feelings of others, but also refraining from behavior that may be viewed unfavorably or may be harmful to yourself and others.

Responsibility – Once you are hired by KMS, we expect that you will fulfill your obligation. Please provide a two-week advance notice if you are unable to do so.

Dependability – Honor your commitment to be at work every day on time and to finish the tasks assigned to you.

Efficiency – Verify the accuracy of your work and offer to do additional work when appropriate.

Attendance – Report to work regularly and promptly (i.e. be at your workstation and ready to work at your scheduled start time, leave and return promptly from lunch and work breaks, and continue working until your scheduled finish time).

Confidentiality – Maintain the confidentiality of customer and KMS information. Disclosure to other employees should be on a business need-to-know basis only. Disclosure to outsiders, except to comply with legal requirements, is unethical and, in some cases, illegal.

Appearance standards – Maintain dress and hygiene standards that present a successful business image. Very tight and immodest clothing and extreme fashions are unacceptable. Consult your onsite customer manager for further clarification for customer-specific dress requirements.

Smoking – Comply with customer's smoking regulations including locations. For a copy of the smoking guidelines, please consult with your onsite customer manager.

Other standards – Other examples of inappropriate behavior and conduct include, but are not limited to, the following:

- Falsification of employment records, time records or other KMS or Elizabeth Arden's documents
- Giving or accepting monetary gifts from customers or clients
- Excessive, unnecessary, or unauthorized use of company or customer supplies and technology, particularly for personal reasons
- Misuse, destruction, removal, or theft of property from co-workers, customers, or KMS
- Insubordination
- Sleeping on the job

Should your performance or conduct become unsatisfactory in the judgment of KMS or its customer, because you have violated any of the standards for personal conduct discussed above, or have violated any other KMS or its customer procedures, rules, or regulations, you will be subject to disciplinary action up to and including termination of employment.

Getting Paid

One of our highest priorities is paying you quickly and accurately. You are responsible for promptly and accurately submitting your time. Our goal is for you to receive your pay by the Friday following the week worked. You must follow the instructions for submitting your time as explained by your KMS Service Coordinator.

As your employer, KMS deducts required federal, state and city taxes, Social Security (FICA), or other legally required deductions (e.g., garnishments, tax levies) that have been served to KMS.

If you find a mistake or if your paycheck is lost or stolen, contact your KMS Service Coordinator.

If you have not received your paycheck by the Friday following the week worked, please allow 7 additional days before contacting your KMS Service Coordinator. Our practice is to issue a stop payment for any check that has yet to be received after this specific time period. A new paycheck accompanied by an affidavit will be sent via express mail to a local Kelly office within your area. If you happen to receive the original paycheck, you are required to return it directly to our corporate office at the following address:

**Kelly Services, Inc.
Attn: KMS Payroll Service
999 West Big Beaver Road
Troy, MI 48084**

Postal holidays, severe weather conditions, and seasonal mail volumes may delay the delivery of your paycheck. To eliminate these types of delays, enroll in one of the available electronic pay programs – direct deposit or payroll card.

Pay Policy

KMS is committed to paying our employees promptly, accurately, and in compliance with all state and federal laws, including, when applicable, the overtime pay requirements and salary pay requirements of the Fair Labor Standards Act (FLSA). Employees exempt from overtime will be notified. Contact your KMS Service Coordinator to report pay-related errors or if you are asked to report inaccurate hours. KMS will not tolerate retaliation against any employee for reporting pay-related incidents or errors. A complete copy of Kelly's Pay Policy, including a list of FLSA permissible salary deductions, can be obtained from your KMS Service Coordinator or accessed at myKelly.com.

Direct Deposit

You may have your pay electronically deposited directly into your checking or savings account. To enroll, complete the *Authorization for Electronic Deposit of Pay* form (Item 1993), available from your KMS Service Coordinator, and return it to your KMS Service Coordinator.

Enjoy the following advantages of the Kelly direct deposit program:

- Avoiding trips to the bank to deposit your paycheck
- Avoiding mail delays in receiving your paycheck
- No special handling of pay when on vacation, ill, or working irregular schedules
- No lost, stolen, or forged checks
- Possible waived service charges at your financial institution

Payroll Card

The payroll card works like a Visa[®] debit card. It can be used to make purchases at places that accept Visa debit cards, to make online or mail order purchases, or to get cash at Visa banks or ATMs. To enroll, complete the *Authorization for Electronic Deposit of Pay* form (Item 1993), available from your KMS Service Coordinator, and return it to your KMS Service Coordinator.

Overtime

KMS adheres to all applicable federal and state payroll laws or regulations. Before working overtime, you must contact your onsite customer manager for pre-approval. If pre-approval is not obtained, you may not be paid for the overtime.

Nonexempt (hourly) employees will be paid time-and-a-half for hours worked over 40 in a work week (Monday through Sunday).

California Employees Only: Nonexempt (hourly) employees will be paid time-and-a-half for hours worked over 8 in a work day unless an alternative work week is in effect. Nonexempt (hourly) employees will be paid double time for hours worked over 12 in a work day.

Paycheck Inquiries

If you do not receive a paycheck by Friday following your work week, contact the toll-free automated Paycheck Hotline during business hours to see if a paycheck has been issued. You will be asked to provide your social security number and zip code. The phone number(s) to your local payroll center can be found in the back of this handbook.

Review Pay Stubs & Report Any Errors

To ensure that you are paid accurately, you should review your pay stubs to promptly identify and report any errors. If you believe that your pay is inaccurate for any reason, immediately notify your KMS Service Coordinator. KMS will promptly review the matter and take appropriate action, including, if necessary, correcting errors and reimbursing any shortfall in pay and taking steps to ensure that such error does not happen again.

Paydays

Payday is the Friday following your work week. Any adjustments will be processed in subsequent pay cycles in accordance with federal, state, and local laws.

You will receive your paycheck or direct deposit pay voucher at your home.

Expense Reimbursement

KMS will reimburse you for customer approved travel and other work-related expenses you incur in the normal course of business. All requests for reimbursements must represent actual and proper expenditures. Falsification of expenses or related documentation will result in disciplinary action up to and including termination of employment. Contact a KMS Service Coordinator for a copy of an

expense report and step-by-step instructions on how to complete the form.

Equipment

KMS and/or its customers may issue electronic equipment, credit cards, and phone cards necessary for you to effectively perform your job. Laptop computers, pagers, cellular phones, credit cards, or phone cards will be issued in accordance with current policies and guidelines and business necessity and will remain the property of KMS and/or its customers. You will be responsible for safeguarding the equipment and cards issued to you. Related expenses will be allowable expenditures on your expense report with the approval of your KMS Service Coordinator and/or the customer. All property must be promptly returned to KMS or its customer upon termination of employment.

Submitting Hours Worked

You will be required to record your hours and sales each week through the Web Time system. Instructions for how to record your hours and sales will be provided to you on a job aid at the beginning of your assignment. Should you have questions, please contact your KMS Service Coordinator at (888) 9-SPRITZ or (888) 977-7489.

KMS offers you two easy ways to record your time and sales. These options include reporting your hours and sales via internet or telephone. Both options are quick, easy and convenient! You can access either of these free services with your EIN (Employee ID Number (EIN) to report your hours worked and sales into the Kelly Time and Sales Capture System on a weekly basis) and review your information 24 hours a day, seven days a week!

1. www.kellytimecards.com is an online service that will help to report your hours and sales quickly and easily. It's easy to use and provides you an immediate summary of the hours and sales reported.
2. (877) 535-5961 is an Interactive Voice Response (IVR) phone system. This system allows you to use a touch-tone telephone to report your hours and sales for the week.

KMS workweek period consists of seven (7) consecutive days. The workweek is from Sunday to the following Saturday. All worked hours and sales must be reported the Sunday following the work week by 11:59 PM EST.

California Employees Only: As a general rule under California law, a nonexempt employee is entitled to a 30 minute unpaid meal period if he/she works more than five hours in a day. To verify that temporary employees have received any meal period to which they are entitled (and have not otherwise waived), KMS requires its temporary employees to record their meal periods.

Additionally, California law requires that nonexempt employees be permitted to take a ten (10) minute paid rest period per four (4) hours worked. Again, to verify that temporary employees have received their rest periods, KMS requires its temporary employees to record their break periods.

For more information, please see the Wage Order posted at your job site.

Policies for Leave of Absence

Family and Medical Leave Act (FMLA)

Under the Family and Medical Leave Act of 1993 (FMLA), eligible employees are entitled to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons.

Eligibility

An employee becomes eligible for FMLA leave after being employed by the employer for at least 12 months and working a minimum of 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave. FMLA is available for the following family and medical reasons:

Guidelines

- Birth of a child
- Placement with the employee of a child for adoption or foster care
- Care of a spouse, parent (but not parent-in-law), or dependent child with a serious health condition
- A serious health condition that makes the employee unable to perform the essential functions of his or her job

Under certain circumstances you may take FMLA on an intermittent basis (i.e., work on and off in intervals as dictated by a physician). Please contact your KMS Service Coordinator for a detailed explanation of FMLA and your eligibility.

Military Leave

If you enlist or are called to active duty with the U.S. Armed Forces (Army, Navy, Air Force, and Marines), you are eligible for a military leave of absence from KMS with all reemployment rights and benefits established under applicable federal and state laws. These provisions also apply to employees serving in the U.S. Armed Forces Reserve units and to those in the National Guard Corps of the Public Health Service and any other category of persons designated by the President in time of war or national emergency who are away from their job, either on a voluntary or involuntary basis performing active duty, active duty training, inactive duty training, full-time National Guard training or examination for fitness for any of the aforementioned types of duty.

Guidelines

- Employees must submit copies of their military orders, training notices or induction information in advance of their military service obligations to their Service Coordinator. Written advance notice may be waived if "military necessity" precludes doing so or if it is otherwise impossible or unreasonable under the circumstances.
- The cumulative length of an employee's military leave may not exceed five years. The specific types of duty and the length of time permitted will be determined in accordance with Uniformed Services Employment and Reemployment Rights Act (USERRA).
- During a military leave, an employee will not be paid for time away from the job. An employee may voluntarily elect to use any earned, unused vacation time in lieu of unpaid

military leave.

- While on active duty, benefit coverage will be affected for employees with benefit elections. Some benefits may be continued at the employee's expense if the employee so chooses. The Benefits Department will notify the employee in writing of the benefits that may be continued and the terms, conditions and limitations of such continuance. Please contact your KMS Service Coordinator for detailed information regarding the impact on benefits during a military leave.
- Returning employees are protected against adverse employment actions, discrimination, and retaliation, because of past, current or future military obligations. However, regardless of the length of service, all returning employees are subject to discharge from employment for cause, as is true for any other KMS employee.

Medical Leave

As soon as you know of the need for a medical leave of absence, notify your KMS Service Coordinator and contact the ING Disability Claims Administrator at 800-776-0047 or contact the Kelly Services Disability Claim Line at 800-495-2318.

Eligibility

To be eligible for a medical leave of absence for the duration of your certified disability, you must have signed up for short-term or long-term disability coverage in one of the benefits packages prior to your need for a medical leave of absence.

If you work in one of the following states, you may receive coverage for disability under the state's sponsored disability coverage plan. Contact VPA at 800-495-2318 to file a claim with your state's disability program.

- California
- Hawaii
- New Jersey
- New York
- Rhode Island
- Puerto Rico

Benefits

Group Medical Insurance

As a KMS Payroll Service employee, you are eligible to elect for benefits offered by Leslie & Associates. The numerous benefits offered include medical, dental and vision.

Guidelines

- All temporary employees working on assignment for a customer can elect coverage.
- Temporary employees must elect benefits within 60 days after the first date of their assignment. Otherwise, employees must wait to enroll during an open enrollment period.
- Elected coverage becomes effective only after the administrator receives the required premium payment. If payment is received by the 20th of a month, the coverage begins on the 1st day of the following month. If payment is received after the 20th of the month, the coverage begins on the 1st day of the second following month.
- Employees pay 100% of the premium cost of coverage. Employees make payments directly to the administrator (Leslie & Associates) either by personal check, money order, or authorized bank draft each month.

401(k)

Employees who are eligible for medical benefits can enroll in the Kelly Retirement Savings Plan (KRSP). The Kelly Retirement Savings Plan (KRSP) helps you prepare financially for retirement by providing an opportunity for you to save and invest for the long term. It allows you to contribute from 2 to 50 percent of your pay through payroll deductions on a pre-tax basis.

Guidelines

- You are eligible to participate in the 401(k) plan upon your date of hire if you are age 18 or over. Actual deductions will begin as soon as administratively possible after your enrollment form is received.
- To enroll in the KMS 401(k) plan, call the Kelly Benefits department at 800-376-4964.

These descriptions are brief and do not cover all the details about each plan. The official plan documents will govern in all cases. Please refer to your Kelly Retirement Savings Plan (KRSP) available from the Kelly Benefits Department for more information.

Safety & Security

Emergency Closings

KMS may temporarily close its locations when severe weather, natural disasters, power outages, or threats to personal safety make it unsafe to remain open. Your manager will make the decision to close and will notify you accordingly.

Employees should call Corporate Security and Safety at 248-244-4250 for information about emergencies that occur during non-business hours. For general information pertaining to major events impacting any U.S. location, call KMS' Emergency Voicemail Box at 800-KELLY-04 or Kelly Services Emergency Information Hotline at 800-KELLY-32.

Service of Legal Process

KMS will comply with all legal requirements related to serving legal papers or documents including a Notice, Subpoena, Summons, Injunction, Writ of Garnishment, Complaint, or Warrant issued by a court, government agency, or law enforcement agency.

If a legal process server or a law enforcement officer contacts you, contact your KMS Service Coordinator immediately. Depending on the type of service, your manager should contact:

- Corporate Security and Safety at 248-244-4180 during business hours (Monday-Friday, 8:30 A.M. to 5:00 P.M. eastern time, or 248-244-4250 during non-business hours); or
- The Law Hotline at 248-822-3377 during business hours (Monday-Friday, 8:30 A.M. to 5:00 P.M. eastern time).

Notification of Non-Work-Related Employee Death

In the event of your death, your KMS Service Coordinator and a KMS Corporate representative will work with your family or beneficiary to ensure they receive all entitlements including pay, insurance, and benefits continuation options.

A KMS Representative will discuss the following with a family member:

- Benefits continuation. A family member will be directed to contact Corporate Benefits at 1-800-376-4964 to discuss benefit continuation and the terms, conditions, and limitations of such continuance. The following benefits may be impacted by an employee death:
- Final pay and vacation balance
- Arrangements to retrieve KMS property (e.g., identification badge, keys, credit card, phone card, laptop computer)

Workers' Compensation

If you are injured on the job, please call (888) 9-SPRITZ or (888) 977-7489 within 24 hours. For serious injuries, call 911 immediately. Report all on-the-job injuries or illnesses to your supervisor and your Kelly representative. Report all accidents and injuries – no matter how minor to the KMS Service Manager at (866) 729-9534 or email details of incident to KMSWork@kellyservices.com.

Workplace Violence Program

Please refer to the Workplace Violence Policy outlined under Standard Employment Practices on page 20 of this handbook. You should consult your onsite customer manager for a copy of their workplace violence policy as well.

Weapons

Please refer to the Weapons Policy outlined under Standard Employment Practices on page 20 of this handbook. You should consult your onsite customer manager for a copy of their weapons policy as well.

If You Leave KMS

Termination Type

Terminations may be voluntary (employee-initiated) or involuntary (KMS-initiated).

Voluntary Termination

Resignation

If you intend to resign, KMS requests you give two weeks written notice. When you resign, KMS has the option of releasing you from work duties immediately or at any time during the notice period.

Your voluntary termination may also occur if you fail to immediately advise your manager of an absence and the related circumstances and fail to keep your manager informed of your status on a timely and continuous basis, or fail to return to work at the end of an authorized leave of absence. In these instances and others including—but not limited to—resigning without giving the requested notice, you would not be eligible for rehire or any form of wages.

Involuntary Termination

Involuntary terminations may be initiated through a reduction in workforce, your inability to meet performance standards, for cause, or other reasons including, but not limited to, misconduct, breach of the *Employment Agreement* or other Agreements, or violation of a KMS policy. If you are terminated, you may be terminated immediately, as permissible under federal, state, and local employment laws and may not be eligible for any form of wages.

General Information

401(k)

Participation ends with your last payroll deduction. Contact the Benefits department at 800- 376-4964 for questions. You are also encouraged to contact your tax advisor.

Unemployment

You should direct questions regarding unemployment benefits to your state unemployment office. Decisions regarding eligibility for unemployment compensation are made by the state agency based on state law and are not determined by KMS.

References

There may be times when someone will need to verify your employment with KMS (when applying for a car or home loan, for example). Direct these people to our vendor, The Work Number, at 800-367-5690 or www.theworknumber.com. The Employer Code for Kelly Management Services is 11336. It is KMS' practice to verify only position information and dates of employment if called upon to give a reference for you.

Returning KMS & Customer Property

On your last day of work, you are required to return to your manager all forms of identification, passes, computer equipment, cellular phone, pager, credit card, phone card, training guides, documents, customer lists or other proprietary information, keys, and other property issued to you by KMS or its customers.

Your Final Pay

Your final paycheck or pay stub will either be **mailed** to your current home address in the regular pay cycle following your last day worked, or **distributed** in accordance with appropriate state and local laws.

Standard Employment Practices

Equal Employment Opportunity

It is the policy of Kelly Services, Inc. to provide equal employment opportunity in recruitment, selection, training, compensation, promotion, job transfer and assignments. These opportunities and other conditions of employment are extended to qualified applicants and employees regardless of an individual's race, color, sex, age, religion, national origin, sexual orientation, or disability.

It is also the policy of Kelly Services, Inc. to make reasonable accommodations for qualified persons with disabilities, and to extend employment opportunities to such persons, as well as to special Disabled Veterans, Veterans of the Vietnam Era and other covered veterans.

Americans with Disabilities Act (ADA)

KMS complies with the requirements of the ADA, which prohibits discrimination against qualified individuals with disabilities in recruitment, selection, training, compensation, benefits, promotions, job transfers, orders, terminations, and all other privileges, terms, and conditions of employment.

KMS makes reasonable accommodations necessary to enable a qualified disabled applicant or employee to perform the essential functions of a position, unless it imposes an undue hardship or presents an undue risk to the health and safety of the applicant, employee, or other employees.

Foreign Corrupt Practices Act

KMS and its employees who are involved in international business are subject to the provisions of the Foreign Corrupt Practices Act. This Act prohibits the giving of money or anything of value to a foreign official for the purpose of influencing his or her actions, or those of his or her government. The Act requires companies to keep records that accurately and fairly reflect their transactions, and to maintain appropriate systems of internal accounting control. Any questions about the proper manner of dealing with foreign officials should be referred to the Law Hotline.

Drug-Free Workplace and Substance Abuse Policy

Kelly Services, Inc. is committed to ensuring the safety and health of its employees and maintaining the Company's reputation for providing quality services. As a federal contractor, KMS complies with the federal Drug-Free Workplace Act of 1988 and similar state and local laws, and requires all of its employees to comply as well.

KMS prohibits substance abuse and the illegal use, possession, sale, exchange, or manufacture of controlled substances (including alcohol and inhalants) and drug paraphernalia on KMS' or its customers' premises, in a KMS- or customer-supplied vehicle, or in any connection with one's employment with KMS.

Employees are prohibited from being under the influence of controlled substances (including alcohol and inhalants) at all times during work hours while on an assignment. Violation of this policy may result in termination of employment. Any employee who tests positive for controlled substances (including alcohol or inhalants) will be terminated. The employee may be eligible for rehire one year from the date of termination with evidence of a negative result of a comparable drug test from a Substance Abuse and Mental Health Services Administration (SAMHSA)-certified laboratory or College of American Pathologists (CAP)-certified laboratory. However, certain misconduct may disqualify employees from rehire at any time. This misconduct includes, but is not limited to, threatening behavior, dishonesty, and/or safety violations.

Employees taking legally prescribed medication and over-the-counter medication must notify their KMS and customer supervisors if the medication is likely to adversely affect their judgment, motor skills, visual perception, alertness, or the safety of co-workers or others. An employee using such medication also has an obligation to ask their healthcare provider whether the legal drug they are taking may affect their ability to safely and effectively perform their job duties.

All test results and information relating to an employee's substance abuse or use of medication is confidential.

KMS will report to law enforcement authorities illegal drug-related employee activities, such as the sale of illegal drugs, that occur on KMS' or its customer's premises, and will cooperate in any criminal investigation of such activities. KMS requires employees to provide notice to their KMS Service Coordinator within five (5) days of conviction for a criminal drug-related offense.

Drug Screening Policy

Drug and alcohol screening will be conducted within the parameters of any applicable federal and state laws. KMS will use scientifically valid methods and procedures and may test urine, hair, blood, saliva, and/or breath.

All drug screens will be performed in a SAMHSA-certified laboratory or a CAP-certified laboratory by qualified laboratory personnel and, if required, include a gas chromatography/mass spectrometry (GC/MS) confirmation test.

Employees are expected to report to the collection site/Patient Service Center within a reasonable period of time but not to exceed 48 hours after being instructed. Refusal to submit to a drug or alcohol screen may be grounds for termination.

All positive screen results are to be reviewed by a medical review officer (MRO) prior to their release. All employees who test positive will be given the opportunity to discuss their test results in confidence with the MRO. Employees must initiate contact with the MRO within 14 days of the MRO's initial attempt to contact them concerning a laboratory positive screen result.

At the request of KMS customers, KMS may, as a condition of an order, request its contract employees to submit to its customers' drug screening requirements. In addition to pre-order, initial on-order, random, or periodic drug screening, these requirements may also include drug screening termed as **Reasonable Cause to Believe** or **Post-Accident**.

- KMS may require an employee be screened if KMS or its customer has **Reasonable Cause to Believe** the employee is under the influence of drugs, alcohol, or inhalants during work hours while on an assignment.
- KMS may, unless limited by state or local law, require an employee be tested **Post-Accident** if at least one of the following has occurred as a result of an accident during work hours while on an assignment:
 - Estimated property damage in excess of \$1,000
 - Personal injury that requires off-site medical attention to the employee or others
 - A vehicular accident in which the employee was cited for a moving violation or in which the vehicle was rendered inoperable

Workplace Violence Policy

KMS will not tolerate threats, threatening behaviors, or acts of violence against KMS employees, clients, visitors, guests, or other individuals while on KMS' or its clients' premises, in connection with employment with KMS. Those who violate this policy will be terminated from employment with KMS and may be subject to prosecution. You are responsible for promptly reporting to your KMS Service Coordinator any inappropriate, alarming, threatening, or violent behaviors in which you have been involved, have witnessed, or learned of having occurred, regardless of the nature of the relationship between those involved. If you have obtained or applied for a protective or restraining order that lists KMS or its client's premises as protected areas, you must notify KMS staff.

If you need help, do the following:

- When an immediate threat to your safety or the safety of others may exist, contact law enforcement, and then inform your KMS office. After hours, contact the Corporate Security and Safety department at **248-244-4250**.
- In the event of a medical emergency, seek first aid or medical assistance.

Note: All employees can be assured of confidentiality when reporting an incident to a KMS office or to the Corporate Security and Safety department.

Weapons Policy

It is the policy of KMS that weapons of any kind, whether or not concealed, are prohibited on KMS' or its clients' premises. Employees who carry a weapon on these premises are subject to immediate termination.

Note: Although some state laws authorize residents to carry concealed weapons, it is the legal right of private employers, such as KMS, to prohibit weapons of any kind on their premises.

Criminal Behavior Policy

Qualified individuals, including those with prior criminal behavior, pending criminal charge, deferred prosecution, or alternative criminal proceedings will be considered for employment, as long as they do not demonstrate behavior considered to be unacceptable.

Except as otherwise required by law, KMS will not knowingly employ persons who have admitted to or exhibited prior criminal behavior in areas of theft, drugs, dishonesty, or violence within the last seven years, or whose date of closure (i.e., successful completion of sentencing mandate) occurred within the last seven years. These guidelines help ensure compliance to the Criminal Behavior Policy.

Employees convicted of any criminal statute violation in the areas of theft, drugs, dishonesty, or violence must notify the KMS Service Coordinator no later than five days after such conviction. An employee convicted of such violation may be subject to disciplinary action up to and including termination of employment. Failure to notify your KMS Service Coordinator will result in termination of employment.

In the event that an employee, convicted of a criminal drug statute violation, is assigned to a customer location under a federal contract, KMS will then notify the government contracting officer after receiving notice of the conviction.

Background Screening Policy

KMS reserves the right to conduct background screens as necessary on its applicants or contract employees. All applicants for payroll service programs, as a condition of employment, must sign documents informing them of this policy as well as releasing KMS, its customer, and the background screening agency (Consumer Reporting Agency [CRA]) from any liability arising from the use or disclosure of background screen results.

An unfavorable background screen may result in denial of employment, removal from an assignment, restrictions on employment duties, and/or termination of employment. KMS will send the applicant a *Notice of Pre-Adverse Action*, a copy of the background screen results, and a *Summary of Your Rights Under the Fair Credit Reporting Act* before taking adverse employment actions.

At Will Employment Statement

Employment with KMS is employment at will. You have the right to resign at any time, and KMS reserves the right to terminate your employment at any time with or without cause or notice.

Harassment Policy

KMS is committed to maintaining a work environment free from harassment. KMS will not tolerate harassment of or by its employees. All employees are expected to help ensure the work environment remains free of harassment. Upon learning of a situation that may violate this policy, KMS will conduct a prompt investigation. All information regarding the alleged harassment will be kept confidential as permitted by the investigation process. If it is determined that a violation of this policy has occurred, KMS will take appropriate steps, which may include disciplinary action up to and including termination of employment. KMS will not tolerate retaliation against any employee for making a complaint or for cooperating in an investigation.

Definitions and Examples of Harassment

The term "harassment" is used in this policy to refer to sexual as well as other forms of harassment. Below are definitions of sexual and other forms of harassment, as well as examples of conduct that may constitute harassment. These lists are examples only. They are not all-inclusive.

Sexual Harassment — Sexual harassment includes unwelcome sexual advances, requests for sexual favors, or any other verbal or physical conduct of a sexual nature, when submission to such conduct is made a condition of employment, is made the basis for employment decisions, unreasonably interferes with an individual's ability to perform his/her job duties, or otherwise creates an offensive or hostile working environment. The following examples of conduct may constitute sexual harassment:

- Unwanted physical touching
- Telling sexually explicit jokes or stories
- Making lewd or offensive comments or gestures
- Displaying sexually suggestive objects, cartoons, or pictures
- Sending sexually explicit messages by letters, notes, electronic mail, or phone
- Making offensive comments about an employee's body, physical appearance, or clothing
- Using terms of endearment ("Dear," "Sweetheart," etc.) when referring to employees of one gender
- Repeatedly asking a co-worker or subordinate for a date or meeting outside of working hours after he or she has indicated an unwillingness to go

Other Forms of Harassment — Other forms of harassment include offensive comments or conduct pertaining to a person's race, ethnicity, religion, creed, ancestry, national origin, age, physical or mental disability, sexual orientation, gender, marital status, or veteran status. Such conduct may include, but is not limited to the following examples:

- Making gestures, threats, derogatory comments, or slurs that may be offensive to individuals of a particular group
- Displaying derogatory objects, photographs, cartoons, calendars, or posters
- Sending messages by letters, notes, electronic mail, or phone that may be offensive to an individual or particular group

Responsibilities of KMS Employees

All KMS employees are expected to help ensure the work environment remains free of harassment.

Any KMS employee, who believes they have been harassed, or who has witnessed harassment of or by another KMS employee, should report the alleged harassment to one of the following:

- The KMS Service Coordinator of the employee who is reporting the alleged harassment.
- The KMS Harassment Reporting Line: **1-800-619-8465**, from 9 A.M. – 6 P.M. eastern time.
- The Human Resources representative who supports the division, business line, branch, or department in which the employee who is reporting the alleged harassment works. The name and phone number of the Human Resources representative can be obtained from the KMS Service Coordinator, from the Human Resources department at Corporate Headquarters, or from the KMS Harassment Reporting Line.

Upon learning of any alleged harassment, KMS management will promptly investigate the matter and take appropriate steps, which may include disciplinary action up to and including termination of employment.

Privacy Statement

KMS is committed to maintaining the privacy and security of the personal information of our clients, applicants, and employees. KMS will collect, use, store, transfer, and purge personal information for employment-related purposes only. KMS does not sell or trade personal information, and we will disclose it only when required by law. KMS, or its representative(s), protects personal information from misuse, alteration, unauthorized access, destruction, or disclosure. An individual may be granted reasonable access to their personal information to correct or update it as appropriate. KMS is prepared to respond to any questions regarding the use of personal information. We will fully cooperate with the Federal Trade Commission and local data protection authorities when requested to do so. In addition, KMS will conform to the appropriate privacy requirements of our clients.

Access myKelly.com for a complete copy of Kelly's Privacy statement.

Definition of Terms

Absent or Absence (Scheduled Time Off) – An absence is the scheduled time off from work that occurs when an employee is not present at work during a normally scheduled work period.

Discipline – Progressive discipline is a process for dealing with job-related behavior that does not meet expected and communicated performance standards.

Eligibility – To be qualified to participate.

Excessive – For the purposes of this handbook, excessive is not equivalent to any exact amount. It exceeds what is usual, proper, necessary, beyond normal limits, or is an amount or degree too great to be reasonable or acceptable as determined by management.

Exempt Employee – An exempt employee is an employee who, because of his or her positional duties and responsibilities and level of decision making authority is exempt from the overtime provisions of the Fair Labor Standards Act (FLSA).

The Fair Labor Standards Act (FLSA) – The FLSA governs the payment of overtime compensation. The FLSA states that any employee (non-exempt) who works more than a 40 hour week must be paid one and a half times their regular hourly rate for the overtime hours.

Family and Medical Leave Act (FMLA) – The Family and Medical Leave Act (FMLA) states that covered employers must grant an eligible employee up to a total of 12 work weeks of unpaid leave during any 12-month period for one or more of the covered reasons.

For cause – is a sufficient reason or motivation leading to an action or condition. For the purposes of this handbook, "for cause" refers to discharges and involuntary termination.

Garnishment – Wage garnishment is a legal procedure in which a person's earnings are required by court order to be withheld by an employer for the payment of a debt such as child support.

Guidelines – An indication or outline of policy or conduct.

Harassment – Behavior or communication designed or intended to intimidate, menace and/or frighten through unwelcome words, actions or offensive/threatening contact.

Insubordination – is disobedience to authority.

Intermittent - For the purposes of this handbook, intermittent refers specifically to Family Medical Leaves. It is the ability to work on and off in intervals as dictated by a physician.

Non-exempt Employee – A non-exempt employee is an employee who, because of the type of duties performed, the usual level of decision making, and the method of compensation, is subject to all FLSA provisions.

Premises – All properties (i.e. facilities, land, buildings, structures and motor vehicles) owned, leased or used by Kelly, Kelly Management Services, or its customers.

Protective/Restraining Order – A legal order issued by a court of law requiring an individual to do or to refrain from doing a specified act, pending the outcome of a hearing.

Secondary employment – For full-time employees, KMS is considered your primary employer. If you engage in outside work other than for KMS, it is considered secondary employment. Secondary employment is permitted and acceptable when it does not interfere with your performance with KMS.

Threat – The expression of intent to cause someone harm, whether physical, emotional, reputational or professional, including threats to harm oneself and/or property.

Weapon – Any object capable of causing serious bodily harm and/or death.

Resources

Resource	Purpose	Contact Information
Benefits Department	Answers questions on 401(k) enrollment and eligibility.	(800) 376-4964
Corporate Safety & Security (CSS)	CSS should be contacted in cases of extreme business emergency (i.e. emergency closings and workplace violence).	(248) 244-4180 After 6pm est. call (248) 244-4250
Harassment Reporting Line	To report a harassment incident.	(800) 619-8465
Kelly Services Corporate	Contact the main switchboard to Kelly Services for general questions about the company or your employment.	(248) 362-4444
KMS Corporate	Contact KMS Corporate for general questions or concerns regarding your employment or to reach a KMS Service Coordinator.	(888) 977-7489 (800) 850-3201 – fax elizabetharden@kellyservices.com
Leslie & Associates	Administrator of temporary employee benefits	(800) 644-6854
myKelly.com	Online community for KMS contract employees.	myKelly.com
Voluntary Plan Administrator (VPA)	VPA is the Disability Administrator for state sponsored disability plans.	(800) 495-2318
The Work Number	To make requests for employment verification. The employer code for KMS 11336.	(800) 967-5960 or www.theworknumber.com

Payroll Center Hotline

Questions regarding your late paycheck can be directed to your appropriate Payroll Center Hotline. You will need to have your social security number and zip code available for this automated paycheck inquiry hotline.

Payroll Center	Payroll Center Hotline
Payroll Center Hotline	(800) 762-8011