



United National Closeout Stores, Inc.

D/B/A United National Consumer Suppliers

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Employee Manual

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UNCS EMPLOYEE HANDBOOK

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i. FOREWORD

Welcome to UNCS!

United National Closeout Stores, Inc, currently doing business as United National Consumer Suppliers (UNCS, to be referred to as the Company hereinafter) is a wholesale distributor based out of Fort Lauderdale, Florida. We have been operating since 2002. We buy and sell a variety of merchandise including, but not limited to: general merchandise, health and beauty, electronics, lawn and garden, toys, stationary, and seasonal merchandise. UNCS distributes to small retailers with 10 to 20 stores to large retailers that have 50 to +100 stores within the US, Canada, Mexico, South America and the UK. We focus primarily on manufacturer's closeouts, excess inventories, overstocks, and opportunity buys. UNCS uses contract warehouses across the US and Canada, with our main warehouses in California, Illinois, New Jersey, and Texas.

UNCS congratulates and thanks you for accepting our offer of employment. One of the keys to our success as a company is hiring excellent Employees. We have hired you because we believe you have the skills and the potential to help UNCS succeed. We expect and depend upon you and each Employee to perform the tasks assigned to you to the best of your abilities. We believe that hard work and commitment will not only help us succeed but will help give you a sense of pride and accomplishment.

We are glad to have you as a member of our team. We hope that your employment proves mutually satisfying and that you will make an important contribution to our future. Every Employee has an important role in our operation, and we value the abilities, experience, and background that you bring with you to UNCS. It is our Employees who provide the services that our customers rely upon and enable us to grow and create new opportunities in the years to come.

Our management team intends to provide you with all the support and the resources you will need to perform your job effectively. If, at any time, you need assistance or guidance, please do not hesitate to ask and of the members of our management team. They are here to help you perform to the best of your abilities.

Once again, welcome to the UNCS Family and we are glad to have you with us.

Whether you have just joined our staff or have been at UNCS for a while, we are confident that you will find our company a dynamic and rewarding place in which to work and we look forward to a productive and successful association. We consider the Employees of UNCS to be one of its most valuable resources. This manual has been written to serve as the guide for the Employer/Employee relationship.

There are several things that are important to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit, or the applicability of a policy or practice to you, you should address your specific

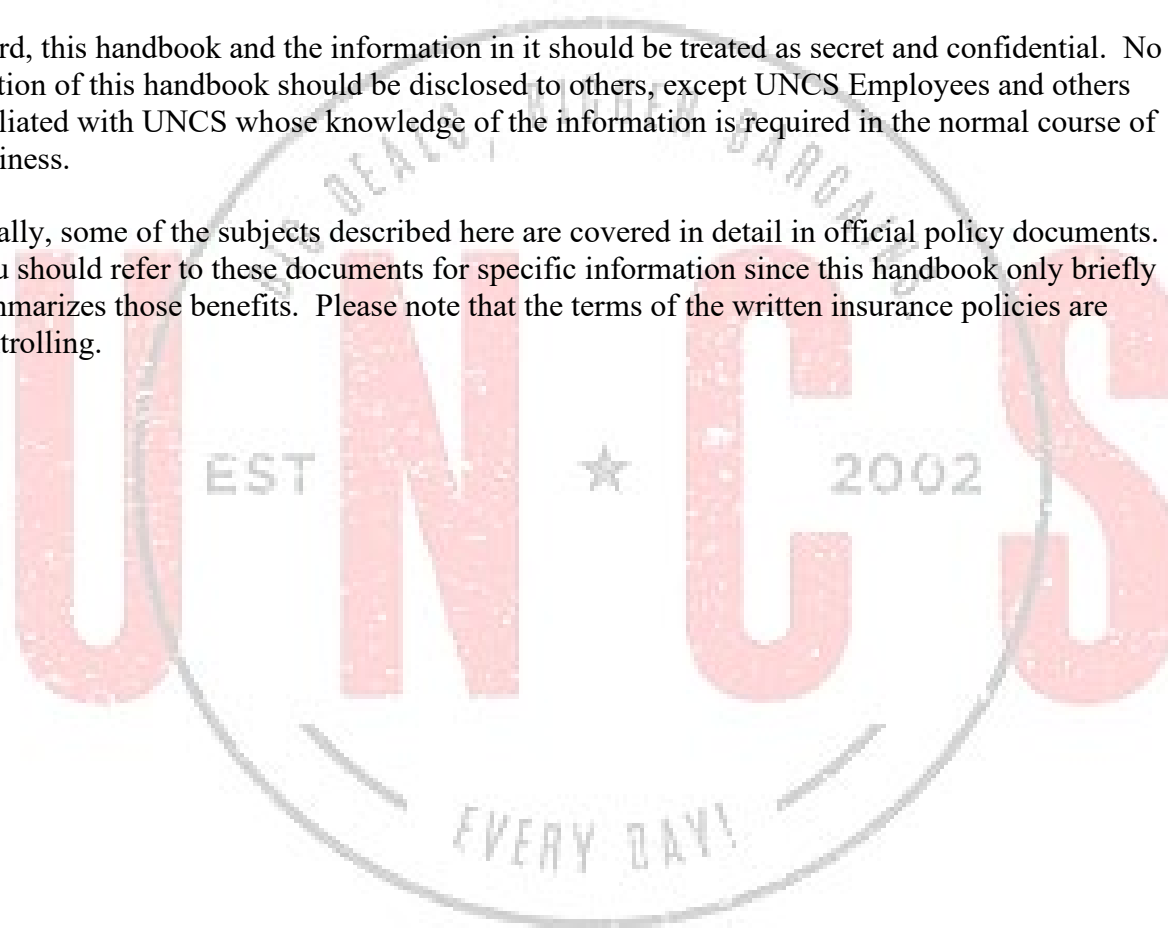
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questions to the Human Resources Department. Neither this handbook nor any other Company document, confers any contractual right, either expressed or implied, to remain in the Company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will, with or without cause and without prior notice, by the Company or you may resign for any reason at any time. No supervisor or other representative of the company (except the Chief Executive Officer) has the authority to enter into any agreement for employment for any specified period, or to make any agreement contrary to the above.

Second, the procedures, practices, policies, and benefits described here may be modified or discontinued from time to time. We will try to inform you of any changes as they occur.

Third, this handbook and the information in it should be treated as secret and confidential. No portion of this handbook should be disclosed to others, except UNCS Employees and others affiliated with UNCS whose knowledge of the information is required in the normal course of business.

Finally, some of the subjects described here are covered in detail in official policy documents. You should refer to these documents for specific information since this handbook only briefly summarizes those benefits. Please note that the terms of the written insurance policies are controlling.



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ii. RECEIPT FOR EMPLOYEE HANDBOOK

I acknowledge that I have received a copy of UNCS Company's Employee Handbook. I agree to read it thoroughly, including the statements in the foreword describing the purpose and effect of the Handbook. I agree that if there is any policy or provision in the Handbook that I do not understand, I will seek clarification from the Human Resources Department. I understand that UNCS is an "at will" employer and as such employment with UNCS is not for a fixed term or definite period and may be terminated at the will of either party, with or without cause, and without prior notice. No supervisor or other representative of the company (except the President) has the authority to enter into any agreement for employment for any specified period, or to make any agreement contrary to the above. In addition, I understand that this Handbook states UNCS's policies and practices in effect on the date of publication. I understand that nothing contained in the Handbook may be construed as creating a promise of future benefits or a binding contract with UNCS for benefits or for any other purpose. I also understand that these policies and procedures are continually evaluated and may be amended, modified, or terminated at any time.

Please sign and date this receipt and return it to the Human Resources Department.

Date: _____

Signature: _____

Print Name: _____

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A. INTRODUCTION

1. EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

Equal Employment Opportunity has been, and will continue to be, a fundamental principle at UNCS, where employment is based upon personal capabilities and qualifications without discrimination because of race, color, religion, sex, age, national origin, disability, or any other protected characteristic as established by law.

This policy of Equal Employment Opportunity applies to all policies and procedures relating to recruitment and hiring, compensation, benefits, termination and all other terms and conditions of employment.

The Human Resources Department has overall responsibility for this policy and maintains reporting and monitoring procedures. Employees' questions or concerns should be referred to the Human Resources Department.

Appropriate disciplinary action may be taken against any Employee willfully violating this policy.

2. NON-DISCRIMINATION AND ANTI-HARASSMENT POLICY

The UNCS Company is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, UNCS expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

Equal Employment Opportunity

It is the policy of UNCS to ensure equal employment opportunity without discrimination or harassment based on race, color, national origin, religion, sex (with or without sexual conduct), age, disability, [alienage or citizenship status, marital status, creed, genetic predisposition or carrier status, sexual orientation] or any other characteristic protected by law. UNCS prohibits and will not tolerate any such discrimination or harassment.

Definitions of Harassment

a. Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (iii) such conduct has the purpose or

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effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, catcalls or touching; insulting or obscene comments or gestures; display or circulation in the workplace of sexually suggestive objects or pictures (including through e-mail); and other physical, verbal or visual conduct of a sexual nature. Sex-based harassment that is, harassment not involving sexual activity or language (e.g., male manager yells only at female Employees and not males) may also constitute discrimination if it is severe or pervasive and directed at Employees because of their sex.

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

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

Individuals and Conduct Covered

These policies apply to all applicants and Employees, and prohibit harassment, discrimination and retaliation whether engaged in by fellow Employees, by a supervisor or manager or by someone not directly connected to UNCS (e.g., an outside vendor, consultant, or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Retaliation Is Prohibited

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

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COMPLAINT PROCEDURE

Reporting an Incident of Harassment, Discrimination or Retaliation

UNCS strongly urges the reporting of all incidents of discrimination, harassment, or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced conduct that they believe is contrary to UNCS's policy or who have concerns about such matters should file their complaints with the Director of Human Resources before the conduct becomes severe or pervasive. Individuals should not feel obligated to file their complaints with their immediate supervisor first before bringing the matter to the attention of the UNCS designated representative identified above.

IMPORTANT NOTICE TO ALL EMPLOYEES:

Employees who have experienced conduct they believe is contrary to this policy have an obligation to take advantage of this complaint procedure. An Employee's failure to fulfill this obligation could affect his or her rights in pursuing legal action. Also, please note, federal, state, and local discrimination laws establish specific time frames for initiating a legal proceeding pursuant to those laws.

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment. Therefore, while no fixed reporting period has been established, UNCS strongly urges the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. UNCS will make every effort to stop alleged harassment before it becomes severe or pervasive but can only do so with the cooperation of its staff/Employees.

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

The Investigation

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly, thoroughly and impartially. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Responsive Action

Misconduct constituting harassment, discrimination or retaliation will be dealt with promptly and appropriately. Responsive action may include, for example, training, referral to counseling, monitoring of the offender and/or disciplinary action such as warning, reprimand, withholding of

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a promotion or pay increase, reduction of wages, demotion, reassignment, temporary suspension without pay or termination, as UNCS believes appropriate under the circumstances.

* * * *

If an Employee making a complaint does not agree with its resolution, the Employee may appeal to UNCS's Chief Executive Officer.

Individuals who have questions or concerns about these policies should talk with [the Director of Human Resources.

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

3. AMERICANS WITH DISABILITIES ACT POLICY STATEMENT

The Company is committed to complying with all applicable provisions of the Americans With Disabilities Act ("ADA"). It is the Company's policy not to discriminate against any qualified Employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the Employee can perform the essential functions of the job. Consistent with this policy of nondiscrimination, the Company will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA, who has made the Company aware of his or her disability, provided that such accommodation does not constitute an undue hardship on the Company.

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Human Resources Department. UNCS encourages individuals with disabilities to come forward and request reasonable accommodation.

Procedure for Requesting an Accommodation

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

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

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UNCS will inform the Employee of its decision on the accommodation request or on how to make the accommodation. If the accommodation request is denied, Employees will be advised of their right to appeal the decision by submitting a written statement explaining the reasons for the request. If the request on appeal is denied, that decision is final.

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

An Employee or job applicant who has questions regarding this policy or believes that he or she has been discriminated against based on a disability should notify the Human Resources Department. All such inquiries or complaints will be treated as confidential to the extent permissible by law.

4. CONFLICT OF INTEREST AND OUTSIDE EMPLOYMENT STATEMENT

In General

The Company expects our Employees to conduct business according to the highest ethical standards of conduct. Employees are expected to devote their best efforts to the interests of the Company. Business dealings that appear to create a conflict between the interests of the Company and an Employee are unacceptable. The Company recognizes the right of Employees to engage in activities outside of their employment which are of a private nature and unrelated to our business. However, the Employee must disclose any possible conflicts so that the Company may assess and prevent potential conflicts of interest from arising. A potential or actual conflict of interest occurs whenever an Employee is in a position to influence a decision that may result in a personal gain for the Employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of the Company's business dealings.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones which most frequently present problems. If an Employee has any question whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact the Human Resources Department to obtain advice on the issue. The purpose of this policy is to protect Employees from any conflict of interest that might arise.

A violation of this policy will result in immediate and appropriate discipline, up to and including immediate termination.

Outside Employment

Employees are required to obtain written approval from their supervisor before participating in outside work activities. Approval will be granted unless the activity conflicts with the Company's interest. In general, outside work activities are not allowed when they:

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

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

Financial Interest in Other Business

An Employee and his or her immediate family may not own or hold any significant interest in a supplier, customer, or competitor of the Company, except where such ownership or interest consists of securities in a publicly owned company and that securities are regularly traded on the open market.

Acceptance of Gifts

No Employee may solicit or accept gifts of significant value (i.e., more than \$25.00), lavish entertainment or other benefits from potential and actual customers, suppliers, or competitors. Special care must be taken to avoid even the impression of a conflict of interest.

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

Work Product Ownership

All UNCS Employees must be aware that UNCS retains legal ownership of the product of their work. No work product created while employed by UNCS can be claimed, construed, or presented as property of the individual, even after employment by UNCS has been terminated or the relevant project completed. This includes written and electronic documents, audio and video recordings, system code, and any concepts, ideas, or other intellectual property developed for UNCS, regardless of whether the intellectual property is actually used by UNCS. Although it is acceptable for an Employee to display and/or discuss a portion or the whole of certain work product as an example in certain situations (e.g., on a resume, in a freelancer's meeting with a prospective client), one must bear in mind that information classified as confidential must remain so even after the end of employment, and that supplying certain other entities with certain types of information may constitute a conflict of interest. In any event, it must always be made clear

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that work product is the sole and exclusive property of UNCS. Freelancers and temporary Employees must be particularly careful in the course of any work they discuss doing, or actually do, for a competitor of UNCS.

Reporting Potential Conflicts

An Employee must promptly disclose actual or potential conflicts of interest, in writing, to his or her supervisor. Approval will not be given unless the relationship will not interfere with the Employee's duties or will not damage the Company's relationship.

5. CONFIDENTIAL NATURE OF WORK

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

B. EMPLOYMENT

1. INITIAL EMPLOYMENT PERIOD

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

Additionally, the initial employment period gives the Employee's supervisor a reasonable period to evaluate his/her performance. The initial employment period is three months (90 days).

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

At the end of the initial employment period, his/her Supervisor will provide a work review to him/her. Provided his/her job performance is "satisfactory" at the end of the initial employment period, he/she will continue in our employment as an at-will Employee.

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2. EMPLOYEE CATEGORIES

Based on the conditions of employment, Employees of UNCS fall into the following categories:

- Full-Time
- Part-Time
- Temporary Employees

Full-Time

An Employee who works the standard working hours of the Company each week (for these purposes, 8 or more hours per day, 5 or more days per week).

Exempt Employees are classified as such if their job duties are exempt from the overtime provisions of the Federal and State Wage and Hour Laws. Exempt Employees are not eligible for overtime pay. Their salaries are calculated on a weekly basis.

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

Part-Time

Part-time Employees are classified as exempt or non-exempt and work a regular schedule of 20 hours or more but less than 30 hours per week.

Temporary Employees

A temporary Employee is hired for a specified project or time frame and works an irregular schedule of less than 20 hours per week. A temporary Employee in a non-exempt position is paid by the hour while a temporary Employee in an exempt position is paid according to the terms of hire for that individual. Temporary Employees do not receive any additional compensation or benefits provided by the Company.

3. TRANSFERS AND PROMOTIONS

UNCS encourages Employees to assume higher-level positions or lateral transfers for which they qualify. Toward this end, UNCS has a job posting program that offers Employees the opportunity to bid for certain positions within the Company.

Generally, Employees must be in their job for at least one year before applying for a change in position. In addition, Employees must have a good performance, attendance, and punctuality record.

Each Employee requesting a transfer will be considered for the new position along with all other applicants.

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Each transfer is judged on an individual basis, depending on the needs of both departments involved.

All final decisions regarding transfers will be made by Management, in conjunction with the Human Resources Department.

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

If an Employee fits the basic criteria for the position, the Human Resources Department will decide to set up an exploratory interview with the other department.

C. COMPENSATION

1. PERFORMANCE MANAGEMENT AND COMPENSATION PROGRAMS

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

Through this program Employees will receive constructive work reviews designed to address performance and skill developmental needs and interests. Upon an Employee's anniversary date, an Employee becomes eligible for consideration of a salary review.

2. PERFORMANCE MANAGEMENT PROGRAM SCHEDULE

Employees may receive constructive work reviews on the following schedule:

FULL-TIME NON-PROFESSIONAL EMPLOYEES:

- a. 3 month work review
- b. annual work and salary review, based on anniversary of start date.

FULL-TIME PROFESSIONAL LEVEL EMPLOYEES:

- a. 3 month work review
- b. annual work and salary review, based on anniversary of start date.

PART-TIME EMPLOYEES:

- a. annual work and salary review

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Under usual and appropriate circumstances, Employees should receive a performance review annually. If an Employee's job responsibilities change substantially at any time after the annual work review, however, another may be performed before the next annual review, after the new assignment has begun.

3. PAYMENT OF SALARY

Salary payment is made bi-weekly for base salary due up to the pay date. Paydays usually are bi-weekly on every other Friday.

Overtime payment, which is included with the non-exempt Employee's base salary payment, is also paid bi-weekly with such payment covering hours worked in the prior bi-weekly period. (For additional explanations see section on overtime policy and procedures.)

It is the Company's policy that Employee paycheck register will only be given personally to that Employee. All other arrangements for mailing or pick-up must be made in advance and in writing with the Human Resources Department.

If the normal payday falls on a Company-recognized holiday, paychecks will be distributed one workday prior to the aforementioned schedule. Under no circumstances will the Company release any paychecks prior to the announced schedule.

Employees may be paid by check or, preferably, through direct deposit of funds to either a savings or checking account at their bank of choice (providing the bank has direct deposit capability). To activate direct deposit, a Direct Deposit Authorization form from Human Resources may be obtained and the Employee should have his/her bank complete the form. The completed form must then be returned with a voided personal check to the Human Resources Department. Due to banking requirements it may take several weeks for activation of the Direct Deposit.

In the event of a lost paycheck, the Human Resources Department must be notified in writing as soon as possible before a replacement check can be issued. In the event the lost paycheck is recovered and the Company identifies the endorsement as that of the Employee, the Employee must remit the amount of the replacement check to the Company within 24 hours of the time it is demanded.

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

Gross Pay
Statutory Deductions
Voluntary Deductions

The amount of Federal withholding is affected by the number of exemptions claimed on Form W-4, Employee's Withholding Allowance Certificate. If an Employee's marital status changes or

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the number of exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to the Human Resources Department.

Except for extreme emergencies and PTO pay, no salary advances will be made.

4. OVERTIME PAY

Depending on Company work needs, Employees will be required to work overtime when requested to do so. Prior approval of a supervisor, however, is required before any non-exempt Employee works overtime. Employees working overtime without approval will be subject to disciplinary action.

Non-exempt full-time Employees are eligible for additional pay for work performed beyond their regularly scheduled 40 weekly hours. Hours at UNCS are generally 7:30 a.m. to 4:30 p.m., Monday through Friday, with a one-hour lunch period each day.

After the Employee has worked the normal 40 hours, all additional time is paid at a rate of 1½ times the Employee's hourly rate.

Each day, the time the Employee starts and finishes work must be recorded on a time record. The Employee's supervisor must approve his/her hours worked at the end of each bi-weekly period. All additional overtime worked must be approved by a supervisor each day. Additionally, time records with overtime must be countersigned by the supervisor and must be in the Payroll Department by 10:00 a.m. the Tuesday preceding payday in order for an Employee's pay to be processed for payday.

5. TIME RECORDS

The attendance of all Employees is recorded daily by each department and is submitted to the Human Resources Department weekly. Our attendance records are Company records, and care must be exercised in recording the hours worked, overtime hours, and absences. Employees are not to clock or sign in or out for other Employees. Violations of this policy may result in appropriate disciplinary action, up to and including immediate discharge.

All non-exempt Employees must record the time they arrived/departed, each day, on his/her time record. Each Employee is responsible only for his/her own recordkeeping through ADP.

Lunch time is one hour unless otherwise indicated in the space provided on the time register (subject to your supervisor's approval on a daily basis).

Once an Employee clocks or signs in, work is to commence immediately. Failure to do so is considered falsification of timekeeping records.

If an Employee forgets to clock or sign in or out, he or she must notify his or her supervisor immediately so the time may be accurately recorded for payroll.

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Non-exempt Employees must calculate their overtime on a weekly basis (see overtime section for further explanation). An Employee's supervisor, as well as Human Resources must approve each overtime entry; Employees with overtime entries that do not have prior approval will be subject to disciplinary action.

Exempt Employees are not required to sign in or out; however, business trips, PTO, sick and personal days must be recorded on the attendance sheet by the Employee designated to monitor attendance.

6. EMPLOYEE REFERRAL PROGRAM

The Company is always looking for qualified Employees and appreciates recommendations made by existing Employees. If you recommend someone who is hired on a full-time, permanent basis and who is still employed by the Company after 90 days, you are eligible to be paid a recruiting bonus. This may be changed from time to time depending on existing market conditions. The current referral fee for a full-time Employee is \$100. We may from time to time pay a higher recruiting bonus for particular positions.

7. PERSONNEL RECORDS

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

Name and/or marital status

Address and/or telephone number

of eligible dependents

W-4 deductions

Person to contact in case of emergency

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D. PERSONAL TIME OFF

1. PTO

Time away from work to relax and pursue special interests are important to everyone. All full-time Employees are eligible for paid PTO.

Vacation and Sick Time are all rolled into one category called Personal Time Off (PTO). We offer 24 hours of Sick Time in addition to the schedule and length of service charts listed below. Using PTO at UNCS is easy, simply email your direct supervisor and copy HR@UNCS.COM. Your supervisor will reply all with "APPROVED" or feedback/recommendations if there are any conflicts. We will make every effort to approve last minute requests, but UNCS policy is a minimum of 2 weeks advanced notice for time off.

PTO hours can be used as whole 8-hour days or in any hourly combination: 1, 2, 3, 4, etc. UNCS understands that there may be times when you only a few hours to complete a personal task, so we would like to keep the process as simple as possible for you. Please be sure to let your supervisor and the Human Resource Department know how you would like to use your time so that we properly track your hours.

NOTE: UNCS will no longer allow employees (exempt and non-exempt) to take additional paid PTO hours if the employee goes over the allotted schedule for PTO. If the employee goes over the allotted hours or has an emergency and does not have PTO/Sick hours remaining, then the employee will not be paid for those hours.

During the first calendar year of employment at UNCS, full-time Employees who start work prior to July 1st will be eligible for PTO in the same calendar year after completing three months of service, according to the following schedule:

SCHEDULE FOR FIRST CALENDAR YEAR OF EMPLOYMENT:

Hire Date	Number of Working Days for each month of work
January 1 - March 31	5/12 of a day
April 1 - June 30	3/12 of a day
July 1 - December 31	0

(For example, if the Employee started in January, he/she would have accrued 5 days by December; if the Employee started in April, he/she would have accrued 3 days by December.)

Full-time Employees will be eligible for PTO immediately after completing three months of service, based upon the following schedule:

AFTER THE FIRST 90 DAYS OF EMPLOYMENT:

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Length of Service	Days
0-2 Years of Service	5
2-4 Years of Service	10
5+ Years of Service	15

UNCS allows employees to roll-over unused PTO/SICK time up to a combined total of 144 hours once you have completed 5 years of service.

Employees should make their PTO requests as far in advance as possible. UNCS policy is to request time off at least two (2) weeks in advance. Based upon department needs, UNCS will make every attempt to grant an Employee the PTO dates he/she requests.

When a Company holiday falls during a scheduled PTO, it is not counted as a PTO day.

Any Employee that becomes ill during a scheduled PTO cannot change a PTO day to a sick day; scheduled PTO days count as PTO even if an Employee would ordinarily take a sick day.

Guidelines for PTO Pay for Terminating Employees

Employees leaving UNCS due to voluntary resignation, retirement or termination (dismissal) will not be eligible to be paid for their unused PTO days.

1a. VOLUNTEER BONUS: As an additional bonus, UNCS offers all Employees the ability to use an additional 8 hours per quarter to volunteer. These hours can be used all at once or split up on an hour-by-hour basis. You may use these hours to volunteer at a local charity or your child's school (think field trips and helping in the classroom). When you use these hours, please be sure to let your supervisor and Human Resource Department know so that we track your hours properly.

2. HOLIDAYS

All full-time Employees (including those in initial employment period) are eligible for 10 paid holidays per year as follows:

New Year's Eve – Closed
 New Year's Day - Closed
 Memorial Day - Closed
 Juneteenth Day- Closed
 Labor Day – Closed
 Independence Day - Closed
 Thanksgiving Eve – Closed
 Thanksgiving Day – Closed

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Black Friday - Closed
 Christmas Eve – Closed
 Christmas Day – Closed

Where a holiday falls on a weekend, it will be observed on either the preceding Friday or following Monday.

3. BEREAVEMENT LEAVE

In the unfortunate event of a death in the immediate family, a leave of absence of up to 3 days with pay will be granted. These three days are to be taken consecutively within a reasonable time of the day of the death or day of the funeral and may not be split or postponed.

For this purpose, immediate family is defined as:

Spouse
 Child
 Step-child
 Parents (including in-laws), step-parents
 Siblings, step-siblings
 Grandparents
 Grandchildren

Employees should make their supervisor aware of their situation. In turn, the supervisor should notify Human Resources of the reason and length of the Employee's absence.

Upon returning to work, the Employee must record his/her absence as a Bereavement Leave on his/her attendance record. Proof of death and relationship to the deceased may be required.

4. JURY DUTY

A leave of absence for jury duty will be granted to any full-time or part-time Employee who has been notified to serve. During this leave, Employees will be compensated by payment of an amount equal to the difference between their jury duty pay and their regular salary. An Employee on jury duty is expected to report to work any day he/she is excused from jury duty.

Upon receipt of the notice to serve jury duty, the Employee should immediately notify his/her supervisor, as well as the Human Resources Department. Additionally, a copy of the notice to serve jury duty should be attached to the Employee's attendance record for attendance purposes.

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

If the jury duty falls at a time when the Employee cannot be away from work, the Company may request that the court allow the Employee to choose a more convenient time to serve if he/she

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makes a request in accordance with the court's procedures. The Employee must cooperate with this request.

5. MILITARY LEAVE

An Employee who is a member of the United States Army, Navy, Air Force, Marines, Coast Guard, National Guard, Reserves or Public Health Service will be granted an unpaid leave of absence for military service, training or related obligations in accordance with applicable law. Employees on military leave may substitute their accrued paid leave time for unpaid leave. At the conclusion of the leave, upon the satisfaction of certain conditions, an Employee generally has a right to return to the same position he or she held prior to the leave or to a position with like seniority, status and pay that the Employee is qualified to perform.

Continuation of Health Benefits

During a military leave of less than 31 days, an Employee is entitled to continued group health plan coverage under the same conditions as if the Employee had continued to work. For military leaves of more than 30 days, an Employee may elect to continue his/her health coverage for up to 24 months of uniformed service but may be required to pay all or part of the premium for the continuation coverage.

Requests for Leave

Leave for Active or Reserve Duty

Upon receipt of orders for active or reserve duty, an Employee should notify his/her supervisor, as well as Human Resources, as soon as possible, and submit a copy of the military orders to his/her supervisor and the Human Resources Department (unless he/she is unable to do so because of military necessity or it is otherwise impossible or unreasonable).

Leave for Training and Other Related Obligations (e.g., fitness for service examinations)

Employees will also be granted time off for military training (normally 14 days plus travel time) and other related obligations, such as for an examination to determine fitness to perform service. Employees should advise their supervisor and/or department head of their training schedule and/or other related obligations as far in advance as possible. Employees should retain their military pay vouchers. Upon return from training, the Employee should submit his/her military pay voucher to the Human Resources Department; the Company will pay an Employee's full salary, less base military pay, for the training period.

Return from Military Leave

Notice Required

Upon return from military service, an Employee must provide notice of or submit an application for reemployment in accordance with the following schedule:

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- 1) An Employee who served for less than 31 days or who reported for a fitness examination, must provide notice of reemployment at the beginning of the first full regular scheduled work period that starts at least eight hours after the Employee has returned from the location of service.
- 2) An Employee who served for more than 30 days, but less than 181 days, must submit an application for reemployment no later than 14 days after completing his/her period of service, or, if this deadline is impossible or unreasonable through no fault of the Employee, then on the next calendar day when submission becomes possible.
- 3) An Employee who served for more than 180 days must submit an application for reemployment no later than 90 days after the completion of the uniformed service.
- 4) An Employee who has been hospitalized or is recovering from an injury or illness incurred or aggravated while serving must report to the Human Resources Department (if the service was less than 31 days), or submit an application for reemployment (if the service was greater than 30 days), at the end of the necessary recovery period (but which may not exceed two years).

Required Documentation

An Employee whose military service was for more than 30 days must provide documentation within two weeks of his/her return (unless such documentation does not yet exist or is not readily available) showing the following: (i) the application for reemployment is timely (i.e. submitted within the required time period); (ii) the period of service has not exceeded five years; and (iii) the Employee received an honorable or general discharge.

6. TIME OFF TO VOTE

On days when elections for public office ("elections for public office" includes elections for sheriff, school board, district attorney, and all primary and general elections) are scheduled throughout the state, county, city or town in which the Employee works, schedules will be changed as needed to ensure that work either starts at least three hours after the polls open or ends at least three before polls close.

Employees living in other localities or states will need to inform their supervisor in advance if they expect any conflict between their work schedule and the exercise of voting rights in any election for any public office. Supervisors will find out when the polls are open and adjust Employee's schedules as needed to ensure that they will have the opportunity to vote.

No Employee will be penalized or retaliated against for requesting time off to vote.

7. LEAVE UNDER THE FAMILY AND MEDICAL LEAVE ACT ("FMLA")

The Family and Medical Leave Act (FMLA) provides eligible Employees with up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12 month period. During this leave, an eligible Employee is entitled to continued group health plan coverage as if

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the Employee had continued to work. At the conclusion of the leave, subject to some exceptions, an Employee generally has a right to return to the same or to an equivalent position.

Employee Eligibility Criteria

To be eligible for FMLA leave, an Employee must have been employed by UNCS for at least 12 months (which need not be consecutive); for at least 1,250 hours during the 12 month period immediately preceding the commencement of the leave; and at a worksite (a) with 50 or more Employees; or (b) where 50 or more Employees are located within 75 miles of the worksite.

Events Which May Entitle an Employee to FMLA Leave

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

- the birth of the Employee's child or to care for the newborn child;
- the placement of a child with the Employee for adoption or foster care or to care for the newly placed child;
- to care for the Employee's spouse, child or parent (but not in-law) with a serious health condition; and/or
- the Employee's own serious health condition that makes the Employee unable to perform one or more of the essential functions of his or her job.

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

How Much FMLA Leave May Be Taken

The 12 Month Period

An eligible Employee is entitled to up to 12 workweeks of unpaid leave during a 12 month period for any FMLA qualifying reason(s). The 12 month period is based upon the standard calendar year.

Limitations on FMLA Leave

Leave to care for a newborn or for a newly placed child must conclude within 12 months after the birth or placement of the child.

When both spouses are employed by UNCS, they are together entitled to a combined total of 12 workweeks of FMLA leave within the designated 12 month period for the birth, adoption or foster care placement of a child with the Employees, for aftercare of the newborn or newly placed child, and to care for a parent (but not in-law) with a serious health condition. Each spouse may be entitled to additional FMLA leave for other FMLA qualifying reasons (i.e., the

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difference between the leave taken individually for any of the above reasons and 12 workweeks, but not more than a total of 12 workweeks per person).

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

Intermittent Or Reduced Work Schedule Leave

Intermittent leave is leave taken in separate blocks of time. A reduced work schedule leave is a leave schedule that reduces an Employee's usual number of hours per workweek or hours per workday.

Leave to care for a newborn or for a newly placed child must be taken all at once or, where medically necessary, intermittently or on a reduced work schedule.

If an Employee takes leave intermittently or on a reduced work schedule basis, the Employee must, when requested, attempt to schedule the leave so as not to unduly disrupt the UNCS's operations. When an Employee takes intermittent or reduced work schedule leave for foreseeable planned medical treatment, UNCS may temporarily transfer the Employee to an alternative position with equivalent pay and benefits for which the Employee is qualified and which better accommodates recurring periods of leave.

Requests for FMLA Leave

An Employee should request FMLA leave by completing the Employer's Request for Leave form and submitting it to the Director of Human Resources.

When leave is foreseeable for childbirth, placement of a child or planned medical treatment for the Employee's or family member's serious health condition, the Employee must provide UNCS with at least 30 days advance notice, or such shorter notice as is practicable (i.e., within 1 or 2 business days of learning of the need for the leave). When the timing of the leave is not foreseeable, the Employee must provide UNCS with notice of the need for leave as soon as practicable (i.e., within 1 or 2 business days of learning of the need for the leave).

Required Documentation

When leave is taken to care for a family member, UNCS may require the Employee to provide documentation or statement of family relationship (e.g., birth certificate or court document).

An Employee may be required to submit medical certification from a health care provider to support a request for FMLA leave for the Employee's or a family member's serious health condition. Medical certification forms are available from the Director of Human Resources

If UNCS has reason to doubt the Employee's initial certification, UNCS may: (i) with the Employee's permission, have a designated health care provider contact the Employee's health

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care provider in an effort to clarify or authenticate the initial certification; and/or (ii) require the Employee to obtain a second opinion by an independent UNCS-designated provider at UNCS's expense. If the initial and second certifications differ, UNCS may, at its expense, require the Employee to obtain a third, final and binding certification from a jointly selected health care provider.

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

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

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

Use of Paid and Unpaid Leave

FMLA provides eligible Employees with up to 12 workweeks of unpaid leave. "Qualifying paid leave" is leave that would otherwise be available to the Employee for the purpose for which the FMLA leave is taken. The remainder of the 12 workweeks of leave, if any, will be unpaid FMLA leave. Any paid leave used for an FMLA qualifying reason will be charged against an Employee's entitlement to FMLA leave. This includes leave for disability or workers' compensation injury/illness, provided that the leave meets FMLA requirements. The substitution of paid leave for unpaid leave does not extend the 12 workweek leave period.

Designation of Leave

UNCS will notify the Employee that leave has been designated as FMLA leave. UNCS may provisionally designate the Employee's leave as FMLA leave if UNCS has not received medical certification or has not otherwise been able to confirm that the Employee's leave qualifies as FMLA leave. If the Employee has not notified UNCS of the reason for the leave, and the Employee desires that leave be counted as FMLA leave, the Employee must notify the Director of Human Resources within 2 business days of the Employee's return to work that the leave was for an FMLA reason.

Maintenance of Health Benefits

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During FMLA leave an Employee is entitled to continued group health plan coverage under the same conditions as if the Employee had continued to work.

To the extent that an Employee's FMLA leave is paid, the Employee's portion of health insurance premiums will be deducted from the Employee's salary. For the portion of FMLA leave that is unpaid, the Employee's portion of health insurance premiums may be paid at the same time as if made by payroll deduction.

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

Return from FMLA Leave

Upon return from FMLA leave, UNCS will place the Employee in the same position the Employee held before the leave or an equivalent position with equivalent pay, benefits and other employment terms.

Limitations on Reinstatement

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

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

Failure To Return To Work Following FMLA Leave

If the Employee does not return to work following the conclusion of FMLA leave, the Employee will be considered to have voluntarily resigned. UNCS may recover health insurance premiums that UNCS paid on behalf of the Employee during any unpaid FMLA leave except that UNCS's share of such premiums may not be recovered if the Employee fails to return to work because of the Employee's or a family member's serious health condition or because of other circumstances beyond the Employee's control. In such cases, UNCS may require the Employee to provide medical certification of the Employee's or the family member's serious health condition.

Additional Information

For further information or clarification about FMLA leave, please contact the Director of Human Resources.

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8. PARENTAL LEAVE POLICY

The Washington D.C. Parental Leave Act of 1994 allows a "parent" 24 hours of leave during any 12-month period to attend or participate in school-related events for his or her child. A "parent" is defined by the Act as:

- the natural mother or father of a child;
- a person who has legal custody of a child;
- a person who acts as a guardian of a child regardless of whether he or she has been appointed legally as such;
- an aunt, uncle or grandparent of a child; or
- a person who is married to one of the individuals listed above.

A "child" is defined as a person under twenty-one (21) years of age, a person who, though twenty-one years of age or older, is substantially dependent upon the parent by reason of physical or mental disability, or a person who is under twenty-three (23) years of age and is a full-time student at an accredited college or university.

A "school-related event" is an activity sponsored by either a school or an associated organization such as a parent-teacher association in which the parent's child involves the child directly either as a participant or subject, but not as a spectator. Examples of school-related events are:

- a student performance such as a concert, play or rehearsal;
- the sporting game of a school team or practice;
- a meeting with a teacher or counselor;
- or any similar type of activity.

Employees are not entitled to be paid for parental leave, unless they elect to use accrued paid leave time (e.g., PTO, personal days).

To request parental leave, Employees should notify their supervisor and the Human Resources Department of their desire for leave to attend a school-related event at least 10 calendar days prior to the event, unless the need to attend the school-related event cannot be reasonably foreseen, in which case Employees should inform their supervisor and the Human Resources Department as soon as possible of the desire for leave.

The Company may deny a request for parental leave only if the granting of the leave would disrupt the Company's business and make the achievement of production or service delivery unusually difficult.

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Employees who take parental leave are entitled to retain all employment benefits or seniority accrued before and during the date of the leave.

9. LEAVE OF ABSENCE WITHOUT PAY

Should a situation arise that temporarily prevents an Employee from working, he/she may be eligible for a personal Leave of Absence without pay. However, Employees must be employed for at least three months prior to the requested leave.

Any request for a leave of absence without pay must be submitted in writing as far in advance as possible and it will be reviewed on a case-by-case basis by the Employee's supervisor/manager and the Human Resources Department. The decision to approve or disapprove is based on the circumstances, the length of time requested, the Employee's job performance and attendance and punctuality record, the reasons for the leave, the effect the Employee's absence will have on the work in the department and the expectation that the Employee will return to work when the leave expires.

Leaves of absence will be considered only after all PTO and personal time have been exhausted. The duration of a leave of absence, if granted, is according to the following schedule:

Continuing Benefit Plan Coverage

While on a personal unpaid leave of absence Employee's medical coverage will end on the 1st day of the month following the start of such leave. Employees will have the opportunity of continuing their benefits for a maximum period of 18 months by paying the monthly premiums as required by COBRA legislation. Unemployment Insurance benefits cannot be collected while on a leave of absence without pay.

Salary Action

Any planned salary increases for an Employee returning from an unpaid leave of absence without pay will be deferred by the length of the leave.

PTO and Personal Time

During the calendar year that an Employee takes an unpaid leave of absence without pay, the Employee is not eligible for PTO. Unused PTO must be used before an unpaid leave of absence without pay will be granted.

Performance Appraisal

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

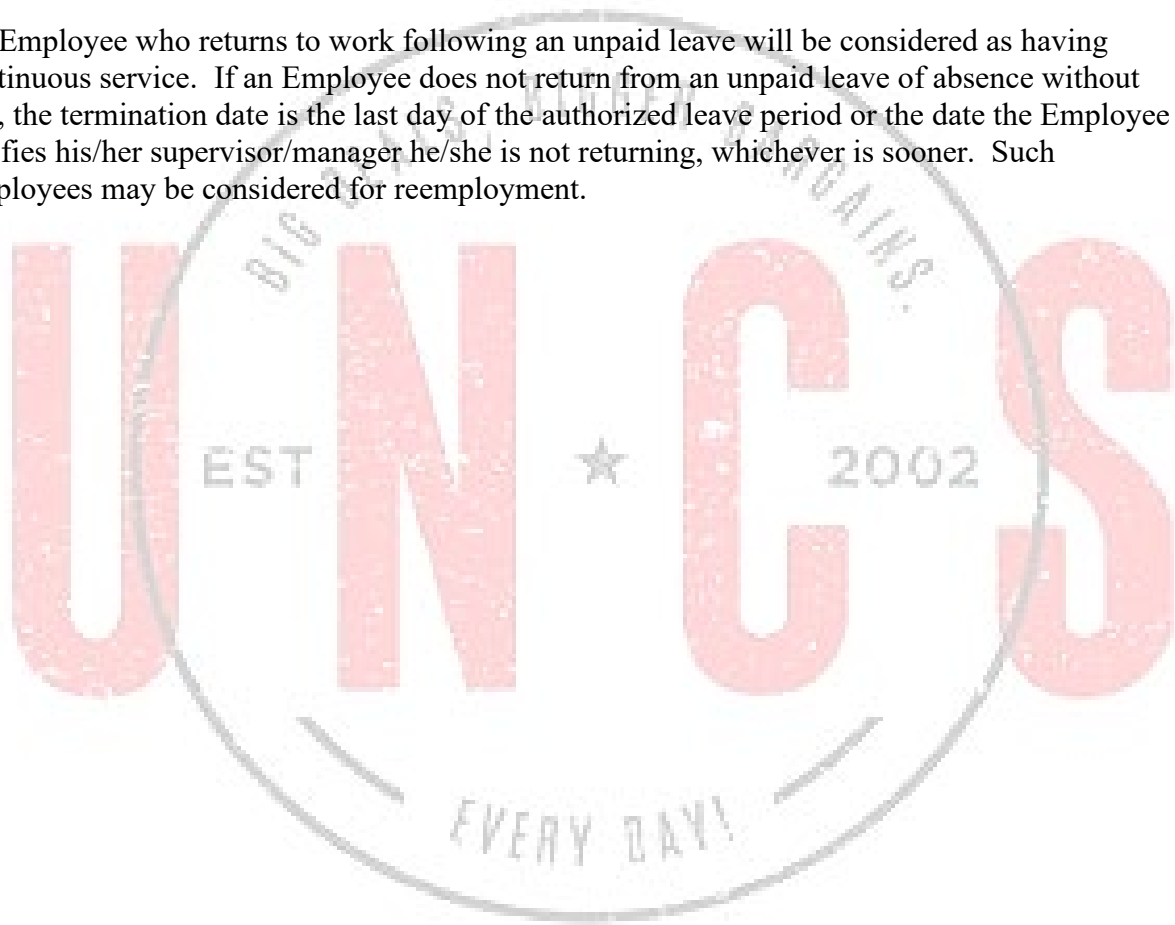
Returning/Not Returning From a Leave

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Due to the nature of our business, UNCS cannot guarantee either that an Employee's job will remain available or that a comparable position will exist when return from an unpaid leave is sought. When an Employee is ready to return from a leave of absence without pay, UNCS will attempt to reinstate the Employee to his/her former position or to one with similar responsibilities.

If the position or a similar position is not available, the Company will search for a suitable position for 30 days from the date the unpaid leave was to officially end. The Employee will not be paid for this time. If the Employee has not been placed by the end of this period, he/she will be terminated.

An Employee who returns to work following an unpaid leave will be considered as having continuous service. If an Employee does not return from an unpaid leave of absence without pay, the termination date is the last day of the authorized leave period or the date the Employee notifies his/her supervisor/manager he/she is not returning, whichever is sooner. Such Employees may be considered for reemployment.



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E. EMPLOYEE BENEFITS

1. DISCLAIMER

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

Please note that nothing contained in the benefit plans described herein shall be held or construed to create a promise of employment or future benefits, or a binding contract between the Company and its Employees, retirees or their dependents, for benefits or for any other purpose. All Employees shall remain subject to discharge or discipline to the same extent as if these plans had not been put into effect.

As in the past, UNCS reserves the right, in its sole and absolute discretion, to amend, modify or terminate, in whole or in part, any or all of the provisions of the benefit plans described herein, including any health benefits that may be extended to retirees and their dependents. Further, the Company reserves the exclusive right, power and authority, in its sole and absolute discretion, to administer, apply and interpret the benefit plans described herein, and to decide all matters arising in connection with the operation or administration of such plans.

For more complete information regarding any of our benefit programs, please refer to the Summary Plan Descriptions, which were provided to you separately or contact the Human Resources Department. If you lost or misplaced those descriptions, please contact the Human Resources Department for another copy.

2. HEALTH INSURANCE

UNCS currently offers regular full-time Employees who have been employed by UNCS for more than 90 days health coverage under a POS (Point Of Service) or an HMO (Health Maintenance Organization) plan.

UNCS pays 50% and the Employee pays 50% of the premium for individual coverage. Additional coverage may be purchased, including family coverage, with pre-tax payroll deductions.

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The POS plan provides comprehensive hospital and major medical insurance coverage. Under the POS plan, participants can choose to go in-network or out-of network at any point in time. Many in-network services are fully covered (some require a copayment) and no claim forms need to be completed. Out-of-network services are generally subject to an annual deductible and coinsurance payments and require the submission of claim forms to the insurance carrier for reimbursement. The HMO plan generally requires participants to utilize only in-network providers.

You have up to 90 days from your employment date to make your medical plan election. Once made, your election is generally fixed for the remainder of the plan year. However, if you undergo a change in family status (as defined in the Plan document), you may make a mid-year change in coverage (i.e., you may change coverage from individual to family or from family to individual, add or delete dependents, or revoke coverage), provided you do so within 30 days from the date of the change in family status, in a manner which will not entitle you to make a mid-year change from one medical carrier to another. Please contact the Human Resources Department to determine if a family status change qualifies under the Plan document and IRS regulations.

At the end of each calendar year, during open enrollment you are free to change your medical elections (including your choice of medical carriers) for the following calendar year, whether you have a change in family status.

The Human Resources Department will assist you in making the necessary arrangements for enrollment. A complete description of the plans is provided to each Employee as Summary Plan Descriptions and appropriate supplements.

3. DENTAL INSURANCE

If you are a regular, non-temporary, non-seasonal Employee who is regularly scheduled to work at least 40 hours per week, then you are eligible for our Dental Plan after 90 days of employment with UNCS.

The Employee pays 100% of the premium for individual coverage. Additional coverage may be purchased, including family coverage, with pre-tax payroll deductions.

4. 401(k) PLAN

The Company offers a voluntary pre-tax salary reduction plan in which regular full-time Employees (scheduled for and working a minimum of 40 hours per week), who are 21 years of age or older, may elect to participate beginning with the first payroll period administratively feasible after employment. The "window" periods during which you may change the dollar amounts or the percentages of your contributions are around January 1st, March 1st, July 1st, and October 31st of each year. Notices of these "window" periods and other information regarding the Plan are circulated to all Employees periodically throughout the year.

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Further details about the Plan may be obtained from the Human Resources Department and the Plan document.

5. WORKERS' COMPENSATION BENEFITS

The Company is covered under statutory state Workers' Compensation Laws. Should you sustain a work-related injury, you must immediately notify your department supervisor and the Human Resources Department. Should your injury require the attention of a doctor, you can obtain a list of approved physicians by calling our Workers' Compensation Carrier's Physician Network Referral Unit. (The Human Resources Department will give you the Referral Unit's telephone number). In the case of an emergency, you should go to the nearest hospital emergency room for treatment and then utilize the Network Referral Unit if additional treatment is necessary.

F. ON THE JOB

1. ATTENDANCE, PUNCTUALITY AND DEPENDABILITY

Because UNCS depends heavily upon its Employees, it is important that Employees attend work as scheduled. Dependability, attendance, punctuality, and a commitment to do the job right are always essential. As such, Employees are expected at work on all scheduled workdays and during all scheduled work hours and to report to work on time. Moreover, an Employee must notify his/her supervisor or the Human Resources Department as far in advance as possible, but not later than one hour before his/her scheduled starting time if he/she expects to be late or absent. This policy applies for each day of his/her absence. An Employee who fails to contact his/her immediate supervisor or the Human Resources Department may be considered as having voluntarily resigned. A careful record of absenteeism and lateness is kept by the Employee's supervisor and becomes part of the personnel record. To the extent permitted by law, absenteeism and lateness lessen an Employee's chances for advancement and may result in dismissal.

2. DRUG & ALCOHOL ABUSE

Manufacture, distribution, dispensation, possession, or use of any illegal drug, alcohol, or controlled substance while on Company premises is strictly prohibited. These activities constitute serious violations of Company rules, jeopardize the Company, and can create situations that are unsafe or that substantially interfere with job performance. Employees in violation of the policy are subject to appropriate disciplinary action, up to and including dismissal. Additionally, UNCS reserves the right to require an Employee to undergo a medical evaluation under appropriate circumstances.

Drug Testing

The Company is determined to eliminate the use of illegal drugs, alcohol, and controlled substances at our work sites. The purpose of this program is to improve job safety on all projects. This program is designed solely for the benefit of our Employees to provide reasonable

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safety on the job and protection from offending individuals. In addition, this program attempts to meet our responsibility to the public, whom we serve.

Testing: Drugs and alcohol tests will be administered under the following conditions:

- When an Employee shows signs of impairment on the job;
- After any accident or occurrence that results in an injury on the job as defined by the Occupational Safety and Health Administration (OSHA);
- After any vehicular accident when it appears that the Employee might reasonably have avoided the accident or minimized the consequences, but did not do so; and
- At hiring time, when all new hires will be required to pass a pre-employment drug-screening test as a condition of employment.

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

Progressive Discipline:

- First-time offenders who test or screen positive shall be suspended for at least one calendar month (four work weeks) without pay. During that time, the Employee is expected to examine his or her continued working relationship with the Company and seek appropriate rehabilitative assistance.
- At the end of the suspension and before returning to work, the Employee must be retested with negative results. Failure to test negative at this point will result in termination.
- Employees who test positive for the first time and complete their period of suspension, rehabilitation (if required), and subsequent negative testing shall be offered an opportunity to return to work as an at-will Employee. These Employees will be subject to unscheduled completion of this two-year probation period, the basic provision of the Employee testing program will still apply.
- Second-time offenders and/or those subject to unscheduled random retesting who test positive will be discharged and terminated from the payroll.

3. APPEARANCE AND CONDUCT

UNCS expects Employees to maintain a neat, well groomed appearance at all times. Employees should avoid extremes in dress.

The Company requires order and discipline to succeed and to promote efficiency, productivity and cooperation among its Employees. The orderly and efficient operations of UNCS require that Employees maintain proper standards of conduct at all times.

Employees who fail to maintain proper standards of conduct toward their work, their co-workers or the Company's customers, or who violate any of the Company's policies, are subject to appropriate disciplinary action, up to and including discharge.

All instances of misconduct should be referred to the Human Resources Department immediately.

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4. ANTI-NEPOTISM POLICY

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

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

This policy must also be considered when assigning, transferring, or promoting an Employee. For the purpose of this policy, immediate family includes: spouse, parent, child, sibling, in-law, aunt, uncle, niece, grandparent, grandchild, members of household. This policy also applies to romantic relationships.

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

The employment of relatives can cause various problems, including charges of favoritism, conflicts of interest, family discord and scheduling conflicts that work to the disadvantage of both the Company and its Employees. Therefore, it is the policy of UNCS not to hire a close relative of any current Employee in any capacity.

For purposes of this policy, the term "close relative" includes the following relationships, whether established by blood, marriage, or other legal action; mother, father, husband, wife, son, daughter, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, step-child, aunt, uncle, nephew, niece or cousin.

When a situation occurs which results in a violation of this policy (whether because of the marriage of two Employees or some other circumstance), one of the Employees involved will be required to resign or otherwise be discharged. Employees will be permitted to determine which of them will resign and will be required to inform the Company of their decision within a two month period after the violation begins. If the Employees cannot make a decision, the Company will decide in its sole discretion that will remain employed.

This policy does not apply to "close relatives" who already are employed by UNCS as of the effective date of this policy. This waiver, however, may not be used as a basis for further exceptions subsequent to the effective date of this policy.

5. ROMANTIC OR SEXUAL RELATIONSHIPS

Consenting "romantic" or sexual relationships between a supervisor/manager and an Employee may at some point lead to unhappy complications and significant difficulties for all concerned - the Employee, the supervisor/manager and the Company. Any such relationship may, therefore, be contrary to the best interests of the Company.

Accordingly, the Company strongly discourages such relationships and any conduct (such as dating between a supervisor/manager and an Employee) that is designed or may reasonably be expected to lead to the formation of a "romantic" or sexual relationship.

By its discouragement of romantic and sexual relationships, the Company does not intend to inhibit the social interaction (such as lunches or dinners or attendance at entertainment events) that are or should be an important part or extension of the working environment; and the policy articulated above is not to be relied upon as justification or excuse for a supervisor's/manager's refusal to engage in such social interaction with Employees.

If a romantic or sexual relationship between a supervisor/manager and an Employee should develop, it shall be the responsibility and mandatory obligation of the supervisor/manager promptly to disclose the existence of the relationship to the Employee's Department Vice President. The Employee may make the disclosure as well, but the burden of doing so shall be upon the supervisor/manager.

The company recognizes the ambiguity of and the variety of meanings that can be given to the term "romantic". It is assumed, or at least hoped, however, that either or both of the parties to such a relationship will appreciate the meaning of the term as it applies to either or both of them and will act in a manner consistent with this policy.

The Department Vice President shall inform the Company's Management Committee and others with a need-to-know of the existence of the relationship, including in all cases the person responsible for the Employee's work assignments.

Upon being informed or learning of the existence of such a relationship, the Company's Management Committee may take all steps that it, in its discretion, deems appropriate. At a minimum, the Employee and supervisor/manager will not thereafter be permitted to work together on the same matters (including matters pending at the time disclosure of the relationship is made), and the supervisor/manager must withdraw from participation in activities or decisions (including, but not limited to, hiring, evaluations, promotions, compensation, work assignments and discipline) that may reward or disadvantage any Employee with whom the supervisor/manager has or has had such a relationship.

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In addition, and in order for the Company to deal effectively with any potentially adverse consequences such a relationship may have for the working environment, any person who believes that he or she has been adversely affected by such a relationship, notwithstanding its disclosure, is encouraged to make his or her views about the matter known to the President of the Company, a Department Vice President, the Chief Operating Officer or any Ombudsman.

This policy shall apply without regard to gender and without regard to the sexual orientation of the participants in a relationship of the kind described.

6. VIOLENCE IN THE WORKPLACE

The Company strongly believes that all Employees should be treated with dignity and respect. Acts of violence will not be tolerated. Any instances of violence must be reported to the Employee's supervisor and/or the Human Resources Department. All complaints will be fully investigated.

The Company will promptly respond to any incident or suggestion of violence. Violation of this policy will result in disciplinary action, up to and including immediate discharge.

7. ACCIDENTS AND EMERGENCIES

Maintaining a safe work environment requires the continuous cooperation of all Employees. The Company strongly encourages Employees to communicate with fellow Employees and their supervisor regarding safety issues.

All Employees will be provided care, first-aid and emergency service, as required, for injuries or illnesses while on UNCS premises. Employees should contact their supervisor, the nearest supervisor, and/or 911 in the event of an accident or emergency.

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

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

8. OPEN DOOR POLICY

UNCS promotes an atmosphere whereby Employees can talk freely with members of the management staff. Employees are encouraged to openly discuss with their supervisor any problems so appropriate action may be taken. If the supervisor cannot be of assistance, Human Resources is available for consultation and guidance. UNCS is interested in all of our Employees' success and happiness with us. We, therefore, welcome the opportunity to help Employees whenever feasible.

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9. INTERNAL COMPLAINT PROCEDURES

To foster sound Employee-employer relations through communication and reconciliation of work-related problems, UNCS provides Employees with an established procedure for expressing employment related concerns.

In situations where Employees feel a complaint is in order, the following steps should be taken:

If an Employee believes that he/she has a legitimate work-related complaint, the Employee is encouraged to first attempt to resolve the issue(s) through discussions with his/her immediate supervisor.

If the situation is not resolved within five working days from the time the complaint is discussed with the Employee's immediate supervisor, barring extenuating circumstances, it should be brought to the attention of the next level supervisor or a representative in the Human Resources Department with written documentation. The Company will attempt to resolve the complaint within a reasonable period of time while preserving the confidentiality and privacy of those involved to the extent feasible.

10. SOLICITATIONS, DISTRIBUTIONS, AND USE OF BULLETIN BOARDS

Employees may not solicit any other Employee during working time, nor may Employees distribute literature in work areas at any time. Under no circumstances may an Employee disturb the work of others to solicit or distribute literature to them during their working time.

Persons not employed by UNCS may not solicit UNCS Employees for any purposes on Company premises.

Bulletin Boards

Bulletin boards maintained by UNCS are to be used only for posting or distributing material of the following nature:

- notices containing matters directly concerning Company business;
- announcements of a business nature which are equally applicable and of interest to Employees.

All posted material must have authorization from Human Resources. All Employees are expected to check these bulletin boards periodically for new and/or updated information and to follow the rules set forth in all posted notices. Employees are not to remove material from the bulletin boards.

11. E-MAIL AND INTERNET POLICY

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Every UNCS Employee is responsible for using the electronic mail (E-mail) system properly and in accordance with this policy. Any questions about this policy should be addressed to the Human Resources Department.

The E-mail system is the property of UNCS. It has been provided by UNCS for use in conducting company business. All communications and information transmitted by, received from, or stored in this system are company records and property of UNCS. The E-mail system is to be used for company purposes only. Use of the E-mail system for personal purposes is prohibited.

Employees have no right of personal privacy in any matter stored in, created, received, or sent over the UNCS mail system.

UNCS, in its discretion as owner of the E-mail system, reserves and may exercise the right to monitor, access, retrieve, and delete any matter stored in, created, received, or sent over the E mail system, for any reason and without the permission of any Employee. Even if Employees use a password to access the E-mail system, the confidentiality of any message stored in, created, received, or sent from the UNCS E-mail system still cannot be assured. Use of passwords or other security measures does not in any way diminish UNCS's rights to access materials on its system or create any privacy rights of Employees in the messages and files on the system. Any password used by Employees must be revealed to UNCS as E-mail files may need to be accessed by the company in an Employee's absence.

Employees should be aware that deletion of any E-mail messages or files will not truly eliminate the messages from the system. All E-mail messages are stored on a central back-up system in the normal course of data management.

Even though UNCS has the right to retrieve and read any E-mail messages, those messages should still be treated as confidential by other Employees and accessed only by the intended recipient. Employees are not authorized to retrieve or read any E-mail messages that are not sent to them. Any exception to this policy must receive the prior approval of UNCS management.

UNCS's policies against sexual or other harassment apply fully to the E-mail system, and any violation of those policies is grounds for discipline up to and including discharge. Therefore, no E-mail messages should be created, sent, or received if they contain intimidating, hostile, or offensive material concerning race, color, religion, sex, age, national origin, disability or any other classification protected by law.

The E-mail system may not be used to solicit for religious or political causes, commercial enterprises, outside organizations, or other non-job-related solicitations.

The E-mail system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials without prior authorization from UNCS management. Employees, if uncertain about whether certain information is copyrighted, proprietary, or otherwise inappropriate for transfer, should resolve all doubts in favor of not transferring the information and consult the CEO.

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Management approval is required before anyone can post any information on commercial on-line systems or the Internet. Any approved material that is posted should obtain all proper copyright and trademark notices. Absent prior approval from UNCS to act as an official representative of UNCS, Employees posting information must include a disclaimer in that information stating, "Views expressed by the author do not necessarily represent those of UNCS."

Users should routinely delete outdated or otherwise unnecessary E-mails and computer files. These deletions will help keep the system running smoothly and effectively, as well as minimize maintenance costs.

Employees are reminded to be courteous to other users of the system and always to conduct themselves in a professional manner. E-mails are sometimes misdirected or forwarded and may be viewed by persons other than the intended recipient. Users should write E-mail communications with no less care, judgment and responsibility than they would use for letters or internal memoranda written on UNCS letterhead.

Because E-mail records and computer files may be subject to discovery in litigation, UNCS Employees are expected to avoid making statements in E-mail or computer files that would not reflect favorably on the Employee or UNCS if disclosed in a litigation or otherwise.

Any Employee who discovers misuse of the E-mail system should immediately contact the CEO.

Violations of UNCS's E-mail policy may result in disciplinary action up to and including discharge.

UNCS reserves the right to modify this policy at any time, with or without notice.

Employees are required to sign an E-mail and Internet policy Acknowledgment Form as a condition of employment. The form is to be signed on acceptance of an employment offer by UNCS.

INTERNET USE POLICY

Certain Employees may be provided with access to the Internet to assist them in performing their jobs. The Internet can be a valuable source of information and research. In addition, e-mail can provide excellent means of communicating with other Employees, our customers and clients, outside vendors, and other businesses. Use of the Internet, however, must be tempered with common sense and good judgment.

If you abuse your right to use the Internet, it will be taken away from you. In addition, you may be subject to disciplinary action, including possible termination, and civil and criminal liability.

Your use of the Internet is governed by this policy and the E-Mail Policy.

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Disclaimer of liability for use of Internet. UNCS is not responsible for material viewed or downloaded by users from the Internet. The Internet is a worldwide network of computers that contains millions of pages of information. Users are cautioned that many of these pages include offensive, sexually explicit, and inappropriate material. In general, it is difficult to avoid at least some contact with this material while using the Internet. Even innocuous search requests may lead to sites with highly offensive content. In addition, having an e-mail address on the Internet may lead to receipt of unsolicited e-mail containing offensive content. Users accessing the Internet do so at their own risk.

Duty not to waste computer resources. Employees must not deliberately perform acts that waste computer resources or unfairly monopolize resources to the exclusion of others. These acts include, but are not limited to, sending mass mailings or chain letters, spending excessive amounts of time on the Internet, playing games, engaging in online chat groups, printing multiple copies of documents, or otherwise creating unnecessary network traffic. Because audio, video and picture files require significant storage space, files of this or any other sort may not be downloaded unless they are business-related.

No expectation of privacy. The computers and computer accounts given to Employees are to assist them in performance of their jobs. Employees should not have an expectation of privacy in anything they create, store, send, or receive on the computer system. The computer system belongs to the Company and may only be used for business purposes.

Monitoring computer usage. The Company has the right, but not the duty, to monitor any and all of the aspects of its computer system, including, but not limited to, monitoring sites visited by Employees on the Internet, monitoring chat groups and news groups, reviewing material downloaded or uploaded by users to the Internet, and reviewing e-mail sent and received by users.

Blocking of inappropriate content. The Company may use software to identify inappropriate or sexually explicit Internet sites. Such sites may be blocked from access by Company networks. In the event you nonetheless encounter inappropriate or sexually explicit material while browsing on the Internet, immediately disconnect from the site, regardless of whether the site was subject to company blocking software.

Prohibited activities. Material that is fraudulent, harassing, embarrassing, sexually explicit, profane, obscene, intimidating, defamatory, or otherwise unlawful, inappropriate, offensive (including offensive material concerning sex, race, color, national origin, religion, age, disability, or other characteristic protected by law), or violative of UNCS's equal employment opportunity policy and its policies against sexual or other harassment may not be downloaded from the Internet or displayed or stored in UNCS's computers. Employees encountering or receiving this kind of material should immediately report the incident to their supervisors or the Human Resources Department. UNCS's equal employment opportunity policy and its policies against sexual or other harassment apply fully to the use of the Internet and any violation of those policies is grounds for discipline up to and including discharge.

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Games and entertainment software. Employees may not use the company's Internet connection to download games or other entertainment software, including wallpaper and screen savers, or to play games over the Internet.

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

Accessing the Internet. To ensure security and to avoid the spread of viruses, Employees accessing the Internet through a computer attached to UNCS's network must do so through an approved Internet firewall. Accessing the Internet directly by modem is strictly prohibited unless the computer you are using is not connected to the Company's network.

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

Sending unsolicited e-mail (spamming). Without the express permission of their supervisors, Employees may not send unsolicited e-mail to persons with whom they do not have a prior relationship.

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

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

Use of the Internet via UNCS's computer system constitutes consent by the user to all of the terms and conditions of this policy.

ON SCREEN E-MAIL DISCLAIMER

This E-mail network is a private information system of UNCS. Individuals using this system expressly consent to monitoring of their activities. Anyone using this system in violation of UNCS's E-mail and Internet policy may be subject to disciplinary action, up to and including discharge.

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E-MAIL AND INTERNET POLICY ACKNOWLEDGMENT FORM

I acknowledge that I have received a copy of UNCS Company's E-Mail and Internet Policy. I agree to read it thoroughly, and agree that if there is any policy or provision in the policy I do not understand, I will seek clarification from the Human Resources Department.

I understand that my use of UNCS's E-mail system constitutes my consent to all the terms and conditions of that policy.

In particular, I understand that (1) the E-mail system and all information transmitted by, received from, or stored in that system are the property of UNCS, (2) the system is to be used only for business purposes and not for personal purposes, and (3) I have no expectation of privacy in connection with the use of the E-mail system or the Internet or with the transmission, receipt, or storage of information in that system.

I agree not to use a code, access a file, or retrieve stored communications unless authorized. I acknowledge and consent to UNCS's monitoring my use of the E-mail system and the Internet at any time at its discretion, including printing and reading all E-mails entering, leaving, or stored in the system.

Date: _____

Signature: _____

Print Name: _____

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12. EMPLOYER INFORMATION AND PROPERTY

The protection of UNCS business information, property and all other Company assets are vital to the interests and success of UNCS. No UNCS related information or property, including without limitation, documents, files, records, computer files, equipment, office supplies or similar materials (except in the ordinary course of performing duties on behalf of UNCS) may, therefore, be removed from the Company's premises. In addition, when an Employee leaves UNCS, the Employee must return to the Company all UNCS related information and property that the Employee has in his/her possession, including without limitation, documents, files, records, manuals, information stored on a personal computer or on a computer disc, supplies, and equipment or office supplies. Violation of this policy is a serious offense and will result in appropriate disciplinary action, up to and including discharge.

13. VOICE MAIL POLICY

Every UNCS Employee is responsible for using the Voice Mail system properly and in accordance with this policy. Any questions about this policy should be addressed to the Human Resources Department.

The Voice Mail system is the property of UNCS. It has been provided by UNCS for use in conducting company business. All communications and information transmitted by, received from, or stored in this system are company records and property of UNCS. The Voice Mail system is to be used for company purposes only. Use of the Voice Mail system for personal purposes is prohibited.

Employees have no right of personal privacy in any matter stored in, created, received, or sent over the UNCS Voice Mail system.

UNCS, in its discretion as owner of the Voice Mail system, reserves and may exercise the right to monitor, access, retrieve, and delete any matter stored in, created, received, or sent over the Voice Mail system, for any reason without the permission of any Employee and without notice.

Even if Employees use a password to access the Voice Mail system, the confidentiality of any message stored in, created, received, or sent from the UNCS Voice Mail system still cannot be assured. Use of passwords or other security measures does not in any way diminish UNCS's rights to access materials on its system, or create any privacy rights of Employees in the messages and files on the system. Any password used by Employees must be revealed to UNCS as Voice Mail messages may need to be accessed by the Company in an Employee's absence.

Employees should be aware that deletion of any Voice Mail messages or files will not truly eliminate the messages from the system. All Voice Mail messages are stored on a central backup system in the normal course of data management. [Use this paragraph only if applicable].

Even though UNCS reserves the right to retrieve and read any Voice Mail messages, those messages should still be treated as confidential by other Employees and accessed only by the intended recipient. Employees are not authorized to retrieve or listen to any Voice Mail

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messages that are not sent to them. Any exception to this policy must receive the prior approval of UNCS management.

UNCS's policies against sexual or other harassment apply fully to the Voice Mail system, and any violation of those policies is grounds for discipline up to and including discharge. Therefore, no Voice Mail messages should be created, sent, or received if they contain intimidating, hostile, or offensive material concerning race, color, religion, sex, age, national origin, disability or any other classification protected by law.

The Voice Mail system may not be used to solicit for religious or political causes, commercial enterprises, outside organizations, or other non-job related solicitations.

Users should routinely delete outdated or otherwise unnecessary Voice Mails. These deletions will help keep the system running smoothly and effectively, as well as minimize maintenance costs.

Because of the storage space required for Voice Mail messages, Employees should not send a Voice Mail message to a large number of recipients without prior approval from their supervisor.

Employees are reminded to be courteous to other users of the system and always to conduct themselves in a professional manner. Voice Mails are sometimes misdirected or forwarded and may be heard by persons other than the intended recipient. Users should create Voice Mail communications with no less care, judgment and responsibility than they would use for letters or internal memoranda written on UNCS letterhead.

Employees should also use professional and courteous greetings on their Voice Mail boxes so as to properly represent UNCS to outside callers.

Because Voice Mail records and messages may be subject to discovery in litigation, UNCS Employees are expected to avoid making statements in Voice Mail that would not reflect favorably on the Employee or UNCS if disclosed in a litigation or otherwise.

In order to avoid accidentally disclosing message contents to unauthorized listeners, Employees should not listen to Voice Mail messages while using the speaker phone feature.

Any Employee who discovers misuse of the Voice Mail system should immediately contact the Human Resources Department.

Violations of UNCS's Voice Mail policy may result in disciplinary action up to and including discharge.

UNCS reserves the right to modify this policy at any time, with or without notice.

Employees are required to sign a Voice Mail Policy Acknowledgment Form as a condition of employment. The form is to be signed on acceptance of an employment offer by UNCS.

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VOICE MAIL POLICY ACKNOWLEDGMENT FORM

I acknowledge that I have received a copy of UNCS Company's Voice Mail Policy. I agree to read it thoroughly, and agree that if there is any policy or provision in the policy I do not understand, I will seek clarification from the Human Resources Department.

I understand that my use of UNCS's Voice Mail System constitutes my consent to all the terms and conditions of that policy.

In particular, I understand that (1) the Voice Mail system and all information transmitted by, received from, or stored in that system are the property of UNCS, (2) the system is to be used only for business purposes and not for personal purposes, and (3) I have no expectation of privacy in connection with the use of the Voice Mail system or with the transmission, receipt, or storage of information in that system.

I agree not to use a code, access a file, or retrieve stored communications unless authorized. I acknowledge and consent to UNCS monitoring my use of the Voice Mail system at any time at its discretion, including listening to all Voice Mail entering, leaving, or stored in the system.

Date: _____

Signature: _____

Print Name: _____

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14. TELEPHONE SERVICE MONITORING PRACTICES

- - NOTICE TO EMPLOYEES

Telephone conversations with subscribers and others who call Customer Service Representatives (CSRs) on the incoming business lines will be monitored and/or recorded from time to time for CSR training, quality control, and other business purposes. This notice provides information to Employees about monitoring and recording practices.

So that callers may be aware of the possibility of all monitoring and/or recording, all monitoring (other than by traditional, unmuffled "open mike" extensions) is preceded by a pre-recorded (or live) announcement over the phone to each caller, stating that "to assure service quality, calls are sometimes monitored and/or recorded."

It is Company policy not to monitor or record any personal or confidential calls, except to the extent of determining the personal or confidential nature of such calls. The following practices are used to promote the privacy of all personal and confidential calls:

- (1) The telephones on which CSRs receive calls on the outside line are not to be used for personal calls by CSRs or other company Employees, because those phones are subject to monitoring. Other phones are available in the office to be used for any necessary personal calls.
- (2) Telephones that may be monitored are customarily labeled or marked: "To assure service quality, calls are monitored."
- (3) Supervisors who conduct service monitoring should simply leave the line immediately if they monitor a call which for any reason seems to be personal or confidential in nature.

TELEPHONE MONITORING EMPLOYEE ACKNOWLEDGMENT

I acknowledge receipt of this Notice, and understand that monitoring and/or recording of telephone calls may be conducted from time to time by supervisory Employees of UNCS for training, quality control, and other business purposes.

Date: _____

Signature: _____

Print Name: _____

AUDIBLE NOTICE TO CUSTOMERS
OF TELEPHONE MONITORING

Disclosure to Customers

"To assure that our customers receive courteous and efficient service, our supervisory personnel may randomly monitor and/or record customer service telephone calls."

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15. USE OF COMPANY EQUIPMENT AND COMPUTER SYSTEMS

The Company provides any supplies, uniforms, equipment, automobiles and materials necessary for you to perform your job. These items are to be used solely for the Company's purposes. Employees are expected to exercise care in the use of Company equipment and property and use such property only for authorized purposes. Loss, damages or theft of Company property should be reported at once. Negligence in the care and use of Company property may be considered grounds for discipline, up to and including termination.

The Company's equipment, such as telephone, postage, facsimile and copier machine, is intended to be used for business purposes. An Employee may only use this equipment for non-business purposes in an emergency and only with the permission of his or her supervisor. Personal usage, in an emergency, of these or other equipment that results in a charge to the Company should be reported immediately to your supervisor or accounting so that reimbursement can be made.

Upon termination of employment, the Employee must return all Company property, uniforms, equipment, work product and documents in his or her possession or control.

Use of the Company Computer System

It is the policy of UNCS that the use of its computers and software is limited solely to appropriate business use. Employees are not allowed to use the computer system for their personal benefit. Employees are strictly forbidden from installing software on the system. Further, this policy reaffirms that the Company's Employees have no reasonable expectation of privacy with respect to any computer hardware, software, electronic mail or other computer or electronic means of communication or storage, whether or not Employees have private access or an entry code into the computer system. The Company reserves the right to monitor the use of its computer system.

An Employee's occasional use of UNCS's computer facilities to type a term paper for an educational course or prepare an announcement for a charitable event is acceptable. However, in order to keep these uses to a reasonable level, approval to use the system in such a manner must be given by the Employee's supervisor. Moreover, please be aware that UNCS may purge files on its computer at any time, without notice.

The use of the system for such personal efforts must occur outside of business hours, and any files created are to be deleted at the end of the project. Also, because of the normal heavy load on the system, these outside projects will not receive priority over late evening operational requirements, system maintenance, or file back-up.

Using the computer facilities for other than educational or charitable activities, following the procedures described above, is not permitted.

Use of Company Vehicles

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Only Employees with an unrestricted, current driver's license and who have adequate insurance coverage may operate UNCS vehicles or use a vehicle to conduct UNCS business. An Employee operating a Company vehicle or a vehicle to conduct Company business must provide proof of adequate insurance to the Human Resources Department. Company vehicles may only be used for authorized Company business. Any Employee operating a Company vehicle must do so in a safe manner. Any Employee operating a Company vehicle under the influence of drugs or alcohol or in an unsafe or negligent manner will be immediately terminated. The Company has the right to search any Company vehicle at any time. Therefore, Employees have no reasonable expectation of privacy with respect to Company vehicles.

Telephone Use

Because a large percentage of our business is conducted over the phone, it is essential to project a professional telephone manner at all times.

Although UNCS realizes that there are times when an Employee may need to use the telephone for personal reasons, it is expected that good judgment will be used in limiting the length and frequency of such calls. Additionally, no long distance personal calls may be made on Company phones without prior approval from the Employee's supervisor.

16. INTERNAL INVESTIGATIONS AND SEARCHES

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

Whenever necessary, in the Company's discretion, work areas (i.e., desks, file cabinets, etc.) and personal belongings (i.e., brief cases, handbags, etc.) may be subject to a search without notice. Employees are required to cooperate.

The Company will generally try to obtain an Employee's consent before conducting a search of work areas or personal belongings, but may not always be able to do so.

17. REFERENCE CHECKS

All inquiries regarding a current or former UNCS Employee must be referred to the Human Resources Department.

Should an Employee receive a written request for a reference, he/she should refer the request to the Human Resources Department for handling. No UNCS Employee may issue a reference letter to any current or former Employee without the permission of the Human Resources Department.

Under no circumstances should any UNCS Employee release any information about any current or former UNCS Employee over the telephone. All telephone inquiries regarding any current or former Employee of UNCS must be referred to the Human Resources Department.

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In response to an outside request for information regarding a current or former UNCS Employee, the Human Resources Department will furnish or verify only an Employee's name, dates of employment, job title and department. No other data or information regarding any current or former UNCS Employee, or his/her employment with UNCS, will be furnished unless the Employee authorizes UNCS to furnish this information in a writing that also releases UNCS from liability in connection with the furnishing of this information or UNCS is required by law to furnish any information.

18. SMOKING POLICY

In order to comply with government regulations, UNCS has prohibited smoking throughout its workplace.

Employees are protected from retaliatory action or from being subjected to any adverse personal action for exercising or attempting to exercise his/her rights under the smoking policy. Any violation of this policy may result in appropriate corrective disciplinary action, up to and including discharge.

Any questions regarding the smoking policy should be directed to the Human Resources Department.

Any violation of or disputes arising under this policy should be reported immediately to the Human Resources Department. Violation of this policy may result in appropriate corrective action, up to and including discharge. The Company will promptly investigate any disputes arising under this policy and in resolving disputes shall give priority to the health concerns of the Employee desiring a smoke-free area.

Each Employee is protected from retaliatory action or from being subjected to any adverse personnel action for exercising or attempting to exercise his/her rights under the smoking policy. Any Employee who feels that he/she has been subject to a retaliatory adverse personnel action for exercising or attempting to exercise any rights under this policy or under any applicable law or regulation concerning the subject matter of this policy shall inform the Human Resources Department which will promptly investigate the complaint and provide for adequate redress where necessary.

Any questions regarding the smoking policy should be directed to the Human Resources Department.

19. TAPE RECORDING POLICY

It is a violation of UNCS policy to record conversations with a tape recorder or other recording device unless prior approval is received from your supervisor or a member of upper-level management or all parties to the conversation give their consent.

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

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



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G. LEAVING UNCS

1. RESIGNATION

When an Employee decides to leave for any reason, his/her supervisor and the Human Resources Department would like the opportunity to discuss the resignation before final action is taken. UNCS often finds during this conversation that another alternative may be better. If, however, after full consideration the Employee decides to leave, it is requested that the Employee provide the Company with a written two-week advance notice period (bear in mind that PTO days or personal days may not be included in the two-week notice period). The Company will only compensate Employees for unused PTO when the Employee works throughout the notice period, and is not terminated for gross misconduct or cause; otherwise, unused PTO will be forfeited. If, as sometimes happens, the Employee's supervisor wishes for the Employee to leave prior to the end of the Employee's two-weeks' notice, the Employee will not be paid for the remainder of that period.

2. DISMISSALS

Every UNCS Employee has the status of "Employee-at-will," meaning that no one has a contractual right, expressed or implied, to remain in UNCS's employ. UNCS may terminate an Employee's employment, or an Employee may terminate his/her employment, without cause, and with or without notice, at any time for any reason. No supervisor or other representative of the Company (except the President) has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above.

THE FOLLOWING GUIDELINES MAY BE APPLIED AT THE DISCRETION OF UNCS's MANAGEMENT:

a. IMMEDIATE DISMISSALS/MISCONDUCT

Any Employee whose conduct, actions or performance violates or conflicts with UNCS's policies may be terminated immediately and without warning.

The following are some examples of grounds for immediate dismissal of an Employee:

- Breach of trust or dishonesty
- Conviction of a felony
- Willful violation of an established policy or rule
- Falsification of Company records
- Gross negligence
- Insubordination
- Violation of the Anti-Harassment and/or Equal Employment Opportunity Policies
- Time card or sign-in book violations
- Undue and unauthorized absence from duty during regularly scheduled work hours
- Deliberate non-performance of work

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- Larceny or unauthorized possession of, or the use of, property belonging to any co-worker, visitor, or customer of UNCS
- Possession of dangerous weapons on the premises
- Unauthorized possession, use or copying of any records that are the property of UNCS
- Unauthorized posting or removal of notices from bulletin boards
- Excessive absenteeism or lateness.
- Marring, defacing or other willful destruction of any supplies, equipment or property of UNCS
- Failure to call or directly contact your supervisor when you will be late or absent from work
- Fighting or serious breach of acceptable behavior
- Violation of the Alcohol or Drug Policy
- Theft
- Violation of the Company's Conflict of Interest/Outside Employment Policy and/or Confidentiality Policy
- Gambling, conducting games of chance or possession of such devices on the premises or during work hours
- Leaving the work premises without authorization during work hours.
- Sleeping on duty

This list is intended to be representative of the types of activities that may result in disciplinary action. It is not exhaustive, and is not intended to be comprehensive and does not change the employment-at-will relationship between the Employee and the Company.

In the event of dismissal for misconduct, all benefits end at the end of the month. COBRA may not be available to anyone dismissed from UNCS for gross misconduct.

b. DISCIPLINE OTHER THAN IMMEDIATE TERMINATION

All Employees are expected to meet UNCS's standards of work performance. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency and general compliance with the Company's policies and procedures.

If an Employee does not meet these standards, the Company may, under appropriate circumstances, take corrective action, other than immediate dismissal.

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

WRITTEN WARNINGS

The supervisor should discuss the problem and present a written warning to the Employee in the presence of a Human Resources representative. This should clearly identify the problem and

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outline a course of corrective action within a specific time frame. The Employee should clearly understand both the corrective action and the consequence (i.e., termination) if the problem is not corrected or reoccurs. The Employee should acknowledge receipt of the warning and include any additional comments of their own before signing it. A record of the discussion and the Employee's comments should be placed in the Employee file in the Human Resources Department.

Employees who have had formal written warnings are not eligible for salary increases, bonus awards, promotions or transfers during the warning period.

3. POST RESIGNATION/TERMINATION PROCEDURES

Exit Interview

Human Resources is responsible for scheduling an exit interview with a terminating Employee on the Employee's last day of employment and for arranging the return of Company property including:

- Company Security Card
- Picture Identification Card
- Office keys
- Company-issued credit cards
- Company manuals
- Any additional Company-owned or issued property

In order to receive a disbursement of any amounts due from the Retirement Plan, the Employee is required to complete and sign a distribution form and submit it to the Human Resources Department. Specific information will be provided at the exit interview.

Employees may choose the continuation or waiver of comprehensive medical coverage and dental coverage under COBRA. Specific information will be provided at the exit interview.

Benefits

Benefits (Life, Medical and Dental) end on your last day of employment, [or, last day of the month in which your last day of employment falls]. An Employee, unless dismissed for gross misconduct, has the option to convert to individual life insurance, and/or to continue Medical/Dental Benefits in accordance with the Consolidated Omnibus Budget Reconciliation Act ("COBRA") regulations.

Final Paycheck

Employees leaving the Company must return office keys, corporate credit cards, etc., before their final paycheck can be issued. This final paycheck will be mailed during the next normal pay period. If there are unpaid obligations to the Company, the final paycheck will reflect the appropriate deductions.

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Commissioned Employees

Commissioned Employees should never accept gifts (monetary and tangible). Monetary includes cash, check and/or gift cards. Tangible includes all other types of non-monetary gifts such as, iPads, phones, computers, vacations, et al. Any employee found to have accepted either form of gift will be subject to immediate termination. UNCS Policy, like many other companies in our industry must maintain an “arm’s length transaction.” The arm’s length principle (ALP) is the condition or the fact that the parties to the transaction are independent and on an equal footing.

Upon Termination, voluntary or involuntary, the employee must abide by the UNCS Non-Compete and Non-Disclosure Agreement. This agreement was signed during the employee’s onboarding, should employee choose to review the agreement, please contact the Human Resources Director or email hr@uncs.com. Commissioned employees should especially govern themselves accordingly.

If a Commissioned Employee is due commissions, then those commissions will be paid in accordance with UNCS’ Standard Practices. UNCS’ Standard Practice is that UNCS will pay commission on bona fide Purchase Orders that were received and delivered before the commissioned employee’s termination (voluntary or involuntary), in essence, the last day worked. Upon termination, payments under this paragraph shall cease; provided, however, that Employee shall be entitled to payments for periods or partial periods that occurred prior to the date of termination and for which Employee has not yet been paid, and for any commission earned in accordance with UNCS' customary procedures, if applicable. Florida has developed the common law stating that: unpaid commissions are recoverable if they have been fully vested and earned. This means that if any significant work remains to do for the commission to be earned, then the commission is not fully vested. For instance, if a salesman sells a door, but the door needs to be installed before the commission is earned, and the commissioned employee gets fired before the door is installed, then the employee may not yet have earned his commission as it is not fully vested. Similarly, UNCS will only pay commission when a Purchase Order is received, and products have been delivered before termination and will wait the customary amount of time already allotted and established within the organization (i.e. the customer has paid for the goods and there are no chargebacks expected).

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HR: End

Revised 12/2020

JG:br

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