

# I. Welcome to Club 24 Concept Gyms

## Introduction

Welcome! As an employee of Club 24, you will find your employment to be both rewarding and challenging. Because the quality of our employees is the key to our success, we carefully select our new employees. In turn, we expect our employees to contribute to the success of the Company.

This Employee Handbook sets forth the terms and conditions of employment of all full, part-time, and temporary employees. This Handbook contains the policies and practices in effect at the time of publication. All previously issued handbooks and any inconsistent policy or benefit statements or memoranda are superseded. This Handbook is designed to familiarize you with our major policies. Your immediate supervisor will be happy to answer any questions you may have.

## Our Philosophy

Our philosophy is simple: Treat your members as you would want to be treated, give them excellent service and a spotless clean facility at a rock bottom price and you will retain them for years to come. You have been selected to work for Club 24 because we feel you can represent us well in our venture to provide the best possible facility and service. Often, that little extra effort that comes from you can make a difference to our members. Here are a few things to keep in mind when dealing with our members:

- 1) People like to be recognized. Make it a point to learn members' names and use them regularly. (Don't forget the Hi's and Bye's.)
- 2) Members expect the facility to be clean. It is every employee's responsibility to help us meet that expectation.
- 3) Members expect you, our employee, to be courteous and helpful. Always roll out the red carpet for every member and guest. *Show* them - don't tell them.
- 4) Don't forget our members' progress; happiness and endorsement are our only product, so make your interaction pleasant and memorable for them.

## Our Goal

It's our goal to provide you with a challenging, rewarding employment experience, but you play a major role in making that happen. Your actions (**Attitude**) have a big impact on all of us, so be approachable (**People Skills**), provide excellent service (**Technical Knowledge**), be a team player, take pride in your work and most of all, know your product (**Selling Skills**), and it's highly likely you will succeed.

You are encouraged to offer ideas and/or constructive criticism to your supervisors or managers. We also encourage you to take part in project teams or problem-solving teams and cost reduction projects. Your participation in continuous improvement is essential to the success of Club 24.

## II. Orientation

### Statement of "At Will" Employment

Club 24 is an "at will" employer. This means that either an individual employee or the Company has the right to terminate the employment relationship at any time, with or without cause and without notice. Nothing in this Handbook or in any document or statement shall limit the right to terminate employment at will. No manager, supervisor, or employee of the Company has any authority to enter into any agreement for employment for any specified period of time or to make any agreement for employment other than at will. Only the President/General Manager of the Company has the authority to make any such agreement, and then only in writing.

### Integration Clause and the Right to Revise

This employee Handbook contains the employment policies and practices of Club 24 in effect at the time of publication. All previously issued Handbooks and any inconsistent policy statements or memoranda are superseded.

Club 24 reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules or benefits stated in this Handbook or in any other document, except for the policy of at-will employment. However, any such changes must be in writing and must be signed by the President/General Manager of the Company. Any written changes to the Handbook will be distributed to all employees so the employees will be aware of the new policies or procedures.

### Equal Employment Opportunity

Club 24 is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available persons in every job. Company policy prohibits unlawful discrimination based on race, color, creed, sex, marital status, age, national origin, physical handicap, disability, medical condition, or ancestry, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful.

The Company is committed to complying with all applicable laws providing equal employment opportunities to individuals regardless of race, color, creed, sex, marital status, age, national origin, physical handicap, disability, medical condition, or ancestry. This commitment applies to all persons involved in the operations of the Company and prohibits unlawful discrimination by any employee of the Company, including supervisors and co-workers.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result. Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact a Company representative with day-to-day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The Company then will conduct an investigation to identify the barriers that make

it difficult for the applicant or employee to have an equal opportunity to perform his or her job. The Company will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the Company will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, provide a written complaint to your immediate supervisor or the individual with day-to-day personnel responsibilities. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. The Company will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation. If the Company determines that unlawful discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action will also be taken to deter any future discrimination. Whatever action is taken will be made known to you, and the Company will take appropriate action to remedy any loss to you as a result of the discrimination. The Company will not retaliate against you for filing a complaint and will not knowingly permit retaliation by management employees or your co-workers.

#### **Unlawful Harassment**

Club 24 is committed to providing a work environment free of unlawful harassment. Company policy prohibits sexual harassment and harassment because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, age, or any other basis protected by federal, state or local law or ordinance or regulation. All such harassment is unlawful. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any employee of the Company, including supervisors and co-workers, as well as by any person doing business with or for the Company.

Prohibited unlawful harassment because of sex, race, ancestry, physical handicap, mental condition, marital status, age, or any other protected basis includes, but is not limited to, the following behavior:

- a) Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations, or comments;
- b) Visual conduct such as derogatory and/or sexually oriented posters, photography, cartoons, drawings, or gestures;
- c) Physical conduct such as assault, unwanted touching, blocking normal movement, or interfering with work because of sex, race of any other protected basis;
- d) Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors; and
- e) Retaliation for having reported or threatened to report harassment.

If you believe that you have been unlawfully harassed, provide a written complaint to your immediate supervisor, the President or the personnel administrator of the

Company as soon as possible after the incident. Your complaint should include details of the incident or incidents, names of the individuals involved, and names of any witnesses. Your immediate supervisor will refer all harassment complaints to the personnel administrator or the President of the Company. The Company will immediately undertake effective, thorough, and objective investigation of the harassment allegations.

If the Company determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by the Company to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including termination. Whatever action is taken against the harasser will be made known to the complaining employee and the Company will take appropriate action to remedy any loss to you resulting from harassment. The Company will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, employees, or co-workers. The Company encourages all employees to report any incidents of harassment forbidden by this policy immediately so the complaints can be quickly and fairly resolved. If you think you have been harassed or you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate state or federal agency.

#### **Workplace Violence**

It is Club 24 Concept Gyms' policy that any threats, threatening language, or any other acts of aggression or violence made toward or by any company employee will not be tolerated. Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment.

Employees have a duty to warn their supervisors of any suspicious behavior, situations, or incidents that they observe or are aware of that involve other employees, former employees, customers, suppliers, visitors, or other parties. These situations include, for example, threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, or similar behavior. Employee reports made according to this policy will be held in confidence to the maximum possible extent. The company will not permit any form of retaliation against any employee for filing a report under this policy.

Club 24 Concept Gyms will promptly and thoroughly investigate all reports of threats of violence or incidents of actual violence and suspicious individuals or activities. The identity of the individual making the report will be protected as much as possible. To maintain workplace safety and the integrity of its investigation, the company may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that violates these guidelines will be subject to prompt disciplinary action up to and including termination of employment.



# III. Employment and Duties

## New Hires

In compliance with the federal Immigration Reform and Control Act of 1986 (IRCA), as amended, Club 24 is committed to employing only individuals who are authorized to work in the United States.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility.

If an employee is authorized to work in this country for a limited time period, the individual will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by Club 24.

## Introductory Period

Your first 90 days at Club 24 is an introductory period. This is to give you and us a chance to get acquainted and determine whether we meet each other's needs and expectations regarding employment. During your introductory period, and during the entire course of your employment, you may resign without stating a reason and you may be released on the same basis without any negative effect on your employment record.

Successful completion of your introductory period is not a guarantee of continued employment. Your introductory period may be extended at management's discretion.

## Regular Employees

Employees who have completed their introductory period of employment should be denominated "regular" employees. Such employees may be either full-time or part-time. The distinction between full-time and part-time depends upon the number of hours that an employee works.

## Full-Time Salaried/Hourly Employees

Regular full-time salaried/hourly employees are those normally scheduled to work and who do work a scheduled 40 hours per week.

## Part-Time Employees

Part-time employees are those who are scheduled to and do work less than 40 hours per week. Part-time employees may be assigned a work schedule in advance or may work on an as-needed basis.

## Anniversary Date

The first day you report to work will be recorded in Club 24 records as your anniversary date. This date may be used to calculate many different Club 24 benefits. If you have any questions regarding your anniversary date, please check with your supervisor.

## Job Duties

During the trial period, your immediate supervisor will explain your job responsibilities and the performance standards expected of you. In some instances, a

job description will be provided. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects or to assist with other work necessary or important to the operation of the facility. Your cooperation and assistance in performing such additional work is expected.

Club 24 reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

### **On The Job Training**

Your supervisor is responsible for initiating all on-the-job training for employees within your department. This may include safety training, participation in off-site training, and continuing education when necessary for job safety and work performance. Training will be conducted during regular working hours whenever possible.

If you have any questions regarding training, please ask your supervisor.

### **Driver's License/Driving Record**

Employees in positions where the operation of a motor vehicle is an essential duty of the position must present and maintain a valid driver's license and acceptable driving record to our insurer. Changes in your driving record must be reported to your supervisor immediately. Violations of this policy may result in immediate termination of your employment.

### **Certification, Licensing, and Other Requirements**

Your supervisor will inform you if there are any licensing, certification, or testing requirements for your job. Failure to qualify or to maintain a certification or license may be sufficient cause for termination.

### **Work Schedules**

Club 24's business hours are posted and subject to change. Your immediate supervisor will assign your individual work schedule. All employees are expected to be at their workstations at the start of their scheduled shifts, ready to perform their work. An employee who must be absent from work, or who will be late in arriving for work, must notify his or her supervisor within one hour of his or her regular starting time. An employee who expects to be absent from work due to a planned medical leave of absence should notify his or her supervisor in advance of the planned leave.

Any absence without notification by the employee to his or her immediate supervisor may be grounds for corrective action, up to and including termination.

Exchanging work schedules with other employees is discouraged. However, if it is necessary to exchange schedules, notify your immediate supervisor, who may authorize an exchange if possible. Work schedule exchanges will not be approved for mere convenience or if the exchange will result in disruption of or interference with normal operations.

### **Attendance and Staff Meetings**

One of the most basic indicators of your performance is regular attendance. As an employee of Club 24, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees. When you are

absent, others must perform your workload, just as you must assume the workload of others who are absent. Employees are expected to report to work as scheduled, on time and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized Company business. Late arrival, early departure, or other absences from scheduled hours are disruptive and must be avoided.

Staff meetings will be held when necessary. These meetings are mandatory and paid for, so please be on time. Additionally, in order to maintain our high level of service, staff will be required to attend regular training sessions throughout the year. Repeated excessive absences or tardiness will lead to disciplinary action, up to and including discharge. Absences and tardiness are excessive if they occur frequently or show a pattern. Absences before or after holidays and weekends are suspect, as are frequent absences for minor complaints such as a headache or stomachache.

### **Dress Policy**

Because each employee is a representative of Club 24, it is important that each employee report to work properly groomed and wearing appropriate dress. If you're thinking about "expressing your individuality" by doing something unusual, check with your immediate supervisor first, to find out if it will meet our guidelines. Employees are expected to maintain the highest standards of **personal cleanliness and present a neat, professional appearance at all times.**

Our customers' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct customer contact, you represent Club 24 with your appearance as well as your actions. The properly attired individual helps to create a favorable image for Club 24, to the public and your fellow employees.

### **Current Dress Code:**

- Club 24 Logo Shirt
- Solid Black Windpants
- Clean Sneakers

### **Personal Hygiene**

Maintaining a professional, business-like appearance is very important to the success of Club 24. Part of the impression you make on others depends on your attire, personal hygiene, and courteous behavior. A daily regimen of good grooming and hygiene is expected of everyone. Please ensure that you maintain good personal hygiene habits. While at work, you are required to be clean, dressed appropriately, and well groomed.

### **Uniforms**

Team members will purchase shirts during the training process. Purchases can be deducted from payroll if you wish.

### **Personal Employee Information**

Club 24 is required by law to keep current all employees' names and addresses. Employees are responsible for updating the information in their personnel file. All address changes, telephone numbers, marital status, or number of dependents has to

be on a Personnel Action Form and forwarded to the main Office with the appropriate boxes filled in and marked.

### **Meal Periods**

No person shall be required to work for seven and one-half or more consecutive hours without a period of at least thirty consecutive minutes for a meal. Such period shall be given at some time after the first two hours of work and before the last two hours.

- a. The provisions of this section shall not be construed to alter or impair the provisions of any collective bargaining agreement in effect on July 1, 1990.
- b. The Labor Commissioner shall exempt any employer from the requirements of this section if he finds that (1) requiring compliance would be adverse to public safety, (2) the duties of a position may only be performed by one employee, (3) the employer employs less than five employees on a shift at a single place of business provided the exemption shall only apply to the employees on such shift or (4) the continuous nature of an employer's operations, such as chemical production or research experiments, requires that employees be available to respond to urgent or unusual conditions at all times and such employees are compensated for break and meal periods. The commissioner shall adopt regulations, in accordance with the provisions of chapter 54, to establish the procedures and requirements for the granting of such exemptions.

**Waiver of Meal Period:** Employees may waive their meal periods only under the following circumstances. If an employee will complete his or her workday in six hours, the employee may waive their meal period. Additionally, depending upon the occupation, employees who work more than ten hours in a day may be able to waive their second meal period, but only if they take their first meal period and they do not work more 12 hours that day. Please speak to your supervisor for clarification on whether you are entitled to waive your second meal period. Any time you elect to waive a meal period, you must submit a written request and receive prior written authorization from your supervisor. Employees may not waive meal periods to shorten their workday or to accumulate meal periods for any other purpose.

**On-Duty Meal Period:** In limited situations, certain designated employees may be required to work an on-duty meal period due to the nature of the employee's duties. Unless your supervisor directs you to take an on-duty meal period due to the nature of your job duties and you agree to an on-duty meal period in writing, you will not be permitted to take an on-duty meal period. You may leave the premises on the meal period if you choose to do so. Designated areas for breaks and eating are available on premises. If you have any questions on these locations, please check with your immediate supervisor.

### **Timekeeping Requirements**

All employees are required to check in and out on our electronic system. You will be issued a key card to record your time and must check in and out for breaks as well.

Salaried employees are also required to record their time for payroll purposes. Any errors on your time sheet should be reported immediately to your immediate supervisor, who will attempt to correct legitimate errors. The Main Office will not process incomplete payroll runs or errors.

### **Payment of Wages**

Paychecks are delivered between 3-5 p.m. and are available at the front counter. Payment on commission is issued on the next available paycheck after the close of the month and commissions are calculated. The commission payment covers the prior month. Note: Commission will not be paid on incomplete contracts or credit applications. We suggest that you double-check all membership agreements before turning them in to be scanned. If there is an error on your check, please report it immediately to your immediate supervisor so that he or she can report it to the Main Office for correction.

Any monthly bonuses that are earned will be paid no later than the 15<sup>th</sup> of the following month. In order to qualify for any monthly bonus, you must complete an entire calendar month. Any employee not completing the entire calendar will not qualify for any monthly bonus.

### **Payroll Deductions**

Some of the deductions from your wages required by law include

- 1) Federal and State Income Tax
- 2) State Disability Insurance (SDI)
- 3) Social Security Benefits (FICA)

Note: As your employer, Club 24 matches your contribution to FICA, which is based on your earnings.

Depending on the state in which you are employed and the benefits you choose, there may be additional deductions. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each year for you on your Form W-2, Wage and Tax Statement. You may have other deductions taken from your paycheck, but we will not take them without your prior approval. The only times your consent to other deductions would not be required is if you owed money to Club 24 or we were required by law to withhold part of your pay for some purpose.

### **Promotions**

We believe that career advancement is rewarding for both the employee and Club 24. We will promote qualified employees to new or vacated positions whenever possible. Job openings may be posted in-house and announced verbally. If you are interested in applying for one of these positions, notify your supervisor and speak to the contact person indicated on the notice.

### **Conflicts of Interest**

Situations of actual or potential conflict of interest are to be avoided by all employees. Personal or romantic involvement with a competitor, supplier, or subordinate employee of the Company that impairs an employee's ability to exercise good judgment on behalf of the Company creates an actual or potential conflict of interest.

Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and moral dilemmas. An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination as to whether a potential or actual conflict exists. If an actual or potential conflict is determined, the employer may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

### **Progressive Discipline**

Violation of Club 24 policies and rules may warrant disciplinary action. The Company has established a system of progressive discipline that includes verbal warnings, written warnings, and suspension. The system is not formal and the Company may, in its sole discretion, use whatever form of discipline is deemed appropriate under the circumstances, up to and including termination of employment. The Company's policy of progressive discipline in no way limits or alters the at-will employment relationship.

### **Termination Procedures**

Upon termination, employees are required to return all keys, tools, uniforms, or any other Club property they may have in their possession. Any balances owed the club must be paid as well.

### **Voluntary Termination**

An employee who voluntarily resigns his or her employment or fails to report to work for three consecutively scheduled workdays without notice to or approval by his or her immediate supervisor will voluntarily terminate employment with the Club 24. All Company-owned property keys, uniforms, identification badges, shirts, etc. must be returned immediately upon termination of employment

### **C.P.R.**

All employees must have a current C.P.R. certification card within their first 60 days of employment. We offer periodic certification courses, but it is your responsibility to become C.P.R. certified and remain current.

### **Computer Software**

Club 24 purchases or licenses the use of various computer software programs. Neither Club 24 nor any of Club 24 employees have the right to duplicate this computer software or its related documentation. Unauthorized duplication of computer software is a federal offense, punishable by up to \$250,000 fine and up to five years in jail.

Club 24 does not condone the illegal duplication of software. You must use the software in accordance with the license agreement. This policy applies not only to individual desktop computers and laptops but to local area networks as well.

Employees learning of any misuse of software or related documentation within Club 24 shall notify a member of management. Employees who reproduce, acquire, or use unauthorized copies of computer software will be subject to discipline, up to and including discharge.

# IV. Standards of Conduct

## On-Duty Conduct

We all have a stake in promoting the smooth operation of the Club 24 and in creating and maintaining a productive, agreeable environment. We count on you to maintain the highest standards of honesty, courtesy, and respect in all your dealings with Club 24, our members, and your fellow employees. When someone fails to observe these principles, everyone suffers and the Club 24 can not allow such behavior to continue. Each employee has an obligation to observe and follow Club 24's policies and to maintain proper standards of conduct at all times. If an individual's behavior interferes with the orderly and efficient operation of a department, corrective disciplinary measures will be taken.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay, and/or discharge. The appropriate disciplinary action imposed will be determined by Club 24. Club 24 does not guarantee that one form of action will necessarily precede another.

The following may result in disciplinary action, up to and including discharge: violation of Club 24 policies or safety rules; insubordination; unauthorized or illegal possession, use, or sale of alcohol or controlled substances on work premises or during working hours, while engaged in Club 24 activities or in Club 24 vehicles; unauthorized possession, use, or sale of weapons, firearms, or explosives on work premises; theft or dishonesty; physical harassment; sexual harassment; disrespect toward fellow employees, visitors or other members of the public; performing outside work or use of Club 24 property, equipment, or facilities in connection with outside work while on Club 24 time; poor attendance or poor performance. These examples are not inclusive. We emphasize that discharge decisions will be based on an assessment of all relevant factors.

Nothing in this policy is designed to modify our employment at-will policy.

## Drug and Alcohol Abuse

Club 24 is concerned about the use of alcohol, illegal drugs, or controlled substances as it affects the workplace. Use of these substances whether on or off the job can adversely affect an employee's work performance, efficiency, safety, and health and therefore seriously impair the employee's value to the Company. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the Company to the risks of property loss or damage or injury to other persons.

Furthermore, the use of prescription drugs and/or over-the-counter drugs also may affect an employee's job performance and seriously impair the employee's value to the Company.

The following rules and standards of conduct apply to all employees either on Company property or during the workday (including meals and rest periods). The Company strictly prohibits the following:

- 1) Possession or use of alcohol, or being under the influence of alcohol while on the job.
- 2) Distribution, sale, or purchase of an illegal or controlled substance while on the job.
- 3) Possession or use of an illegal or controlled substance or being under the influence of an illegal or controlled substance while on the job.

Violation of the above rules and standards of conduct will not be tolerated. The Company also may bring the matter to the attention of appropriate law enforcement authorities.

In order to enforce this policy, the Company reserves the right to conduct searches of Company property or employees and/or their personal property and to implement other measures necessary to deter and detect abuse of this policy.

An employee's conviction on a charge of illegal sale or possession of any controlled substance while off Company property will not be tolerated because such conduct, even though off duty, reflects adversely on the Company. In addition, the Company must keep people who sell or possess controlled substances off the Company's premises in order to keep the controlled substances themselves off the premises.

Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job or affect the safety or well being of others must notify an immediate supervisor of such use immediately before starting or resuming work.

#### **Personal Telephone Calls**

It is important to keep our telephone lines free for member or guest calls. Although the occasional use of Club 24 telephones for a personal emergency may be necessary, routine personal calls are not allowed.

Personal cellular telephones must be turned off during working hours while on Club 24 premises.

#### **Club Music**

Each location has a very specific music system which cannot be changed at anytime by staff members.

#### **Confidentiality**

Each employee is responsible for safeguarding confidential information obtained in connection with his or her employment. In the course of your work, you may have access to confidential information regarding the Company, its suppliers, its members, or perhaps even fellow employees. It is your responsibility to in no way reveal or divulge any such information unless it is necessary for you to do so in the performance of your duties. Access to confidential information should be on a "need to know" basis and must be authorized by your immediate supervisor. Any breach of this policy will not be tolerated and the Company may take legal action.

#### **Employer Property**

Lockers, desks, and (other property) are Club 24's property and must be maintained



according to Club 24's rules and regulations. They must be kept clean and are to be used only for work-related purposes. The Company reserves the right to inspect all Company property to ensure compliance with its rules and regulations without notice to the employee and/or in the employee's absence.

Prior authorization must be obtained from your immediate supervisor before any Company property may be removed from the premises.

#### **Use of Facilities After Hours**

Employees are prohibited from being on Company premises or making use of Company facilities after normal operating hours. Employees are expressly prohibited from using Company facilities, property, and equipment for personal use during closed hours.

#### **Security**

The security of facilities as well as the welfare of our employees requires that every individual be constantly aware of potential security risks. You should immediately notify your immediate supervisor when unknown persons are acting in a suspicious manner in or around the facilities, or when a key, security pass, or identification badge is lost or misplaced.

#### **Smoking in the Workplace**

Club 24 is committed to providing a safe and healthy environment for employees and visitors. Smoking is not permitted anywhere on the property or anywhere visible by Club 24 members.

#### **Solicitation**

In order to ensure efficient operation of the Company's business and to prevent annoyance to employees, it is necessary to control solicitations and distribution of literature on Company property. The Company has established rules applicable to all employees governing solicitation and distribution of written material and entry onto the premises and work areas. All employees are expected to comply strictly with these rules. Any employee who is in doubt concerning the application of these rules should consult with his or her immediate supervisor.

No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the employee or employees to whom such activity is directed.

No employee shall distribute or circulate any written or printed material in work areas during his or her working time or during the working time of the employee or employees to whom such activity is directed.

Under no circumstances will non-employees be permitted to solicit or to distribute written material for any purpose on Company property.

#### **Recording Devices in the Workplace**

Employees are prohibited from having any form of recording or photography device in the workplace and from recording or photographing fellow employees in the workplace or during working time. Violations of this policy may result in immediate discipline, including the possibility of termination, immediate removal of the recording device and/or the employee from the workplace, and retention of the recording device for inspection by Club 24 and/or legal authorities. Limited exceptions will apply when

the employee in possession of the recording device has been received advance written authorization to use the recording device by an authorized member of Club 24 management and/or the recording device is being used in an authorized manner to further Club 24 business.

## V. Employee Benefits

### Vacations

We want our employees to take vacations to relax and revitalize themselves. Vacations are important to maintain a clear, healthy outlook and they give you the much-needed rest you deserve from your day-to-day routine. Club 24 provides all eligible full-time (40 hours per week) employees vacation benefits after 12 months continuous employment, according to the following schedule:

After one year .....	5 days
After two years .....	10 days
After five years .....	15 days

Hourly staff and salaried employees do not start accruing vacation time during their first three months of employment. Hourly employees are paid the number of hours they normally work in a week, less commission. Salaried staff receive their regular pay, as it would prorate on a weekly basis, less commission. You may not take paid vacation time before you earn it, and if you are on a leave of absence or are suspended, you will not earn vacation benefits.

Also, you may not receive pay instead of vacation time. Vacations shall be scheduled to provide adequate coverage of job responsibilities and staffing requirements. The General Manager will make final determinations and must approve your vacation schedule in advance. Plan to submit your vacation request at least 30 days in advance by completing a Vacation Request Form. If there is a conflict in requests for time off, length of employment will determine who gets preference.

### Employee Membership Privileges

Club 24 is in the business of encouraging and helping people lead healthy, active lifestyles, so of course we want to do the same for our employees. As an employee, you receive a complimentary facility membership for yourself during your employment, along with special discounts on apparel, tanning, and other services we offer. Since a member's satisfaction and facility use must take precedence, please follow these simple guidelines when working out and when receiving an employee discount:

- 1) Never use the last piece of any type of equipment in the fitness center or the last step bench or place in a Group Exercise Class. Other Group Exercise Classes

- may be attended as space allows.
- 2) Do not put your name on the Sun Tanning Sign-Up/Reservation Sheet. This equipment must be used on a walk-on only basis.
  - 3) Do not use the last available shower, locker, etc.
  - 4) Park your cars in the employee parking area, even when coming to the facility to work out.

Again, please keep in mind that you are a representative of Club 24 at all times, whether working or working out, and our members pay our bills and they must always come first. Please also remember that your employee membership privileges entitle you to work out and utilize the fitness facilities, but not to "hang out" at the facility before or after your shift or on your day off. If not working out, you are expected to leave the facility within 20 minutes of the end of your shift.

### **Family and Medical Leave**

Club 24 is in compliance with the Federal Medical Leave Acts (FMLA). This law provides eligible employees with up to twelve (12) weeks of unpaid leave within a 12-month period, should they qualify under the guidelines as set forth by the federal government. Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State or local law that provides greater family or medical leave rights than the rights established under this Act or any amendment made by this Act. [Insert your state guidelines in this section if applicable.] All questions and concerns regarding the Family and Medical Leave benefit should be directed to your supervisor.

Leave can be taken under the following circumstances:

- 1) To care for family members who suffer serious health conditions;
- 2) To recover from or treat your own serious health condition;
- 3) To care for your child who suffers from an illness or a condition that is not a serious health condition but that requires home care; and
- 4) To care for an infant or newly adopted or new foster child under 18, or the care of an adopted or foster child older than 18 if the child is incapable of self-care. Leave for this reason must be taken within the first year after the birth or placement of the child.

Family and Medical Leave will be unpaid leave. If leave is requested for an employee's own serious health condition, the employee may use all of his or her accrued paid vacation or sick leave time. The remainder of the leave period will then consist of unpaid leave.

## Connecticut Family and Medical Leave Act

Our company provides unpaid family and medical leave to eligible employees in accordance with Connecticut Family Medical Leave Act (CTFMLA).

### Eligibility

To be eligible for CTFMLA leave:

- The employee must have worked for the company for at least 3 consecutive months.

### Reasons for Leave

You may take CTFML leave for the following reasons:

- The birth of a child and care within the first year after birth;
- The placement of a child with an employee for adoption or foster care and care for the child within the first year after placement;
- To care for a family member with a serious health condition;
- Because of the employee's own serious health condition;
- To serve as an organ or bone marrow donor;
- To address qualifying exigencies arising from a spouse, son, daughter, or parent's active duty service in the armed forces; or
- To care for a spouse, son, daughter, parent, or next of kin with a serious injury or illness incurred on active duty in the armed forces.

Family member means a spouse (the person to whom one is legally married), sibling, son or daughter, grandparent, grandchild or parent, or an individual related to the employee by blood or affinity whose close association the employee shows to be the equivalent of those family relationships (significant personal bond). An "Affinity Relationship" exists if you consider your relationship with an individual to be equivalent to the relationship one would have with a spouse, sibling, son, daughter, grandparent, grandchild, or parent. The employee need only provide a simple written statement that the employee considers the relationship with an individual to be equivalent to one with a "family member". The federal FMLA employs a narrower definition of for whom an employee may care and be eligible for leave.

"Spouse" means the person to whom you are legally married.

"Parent" means your or your spouse's biological, adopted, or foster parent, stepparent, parent-in-law, legal guardian, or an individual standing in loco parentis to you currently or when you were a child.

"Grandchild" means a grandchild related to a person by blood, marriage, adoption by a child of the grandparent, or foster care by a child of the grandparent

"Grandparent" means a grandparent related to a person by blood, marriage, adoption of a minor child by a child of the grandparent, or foster care by a child of the grandparent

"Sibling" means your or your spouse's biological, adopted, or foster brother or sister, half-brother or half-sister, stepbrother or stepsister, or brother-in-law or sister-in-law.

"Son or daughter" means your biological, adopted, or foster child, a stepchild, legal ward, or an individual to whom you stand in loco parentis currently or when the individual was a child. A son or daughter may be of any age.

"In loco parentis" under the CTFMLA includes, but is not limited to, persons with day-to-day responsibilities to care for and/or financially support a child or, in the case of an employee, the person who had such responsibility for the employee when the employee was a child. A biological or legal relationship is not necessary

### Leave Usage

Eligible employees may take up to 12 weeks of unpaid leave per leave year. For purposes of this policy, the leave year is based on a "rolling" 12-month period measured backward from the date an employee begins using CTFMLA leave. Employees may take up to 2 additional weeks of leave during the 12-month period for a serious health condition resulting in incapacitation that occurs during pregnancy.

You must use any accrued vacation time or other paid accrued time off that you are eligible to take during the otherwise unpaid portion of the CTFMLA leave. You also must use any accrued sick leave that you are eligible to take during the otherwise unpaid portion of CTFMLA leave if the CTFMLA leave is for your own serious health condition, a qualifying exigency, or any other reason mutually agreed to between you and the company.

CTFMLA leave will run concurrently with other federal/state laws where permitted by law.

### Intermittent Leave

When medically necessary, leave may be taken on an intermittent or reduced work schedule.

### Notice

If the need for leave is foreseeable (such as the birth of a child or planned medical treatment), you must provide reasonable advance notice and make a reasonable effort

to schedule leave so that it will not unduly disrupt company operations. If unforeseeable, provide notice as soon as practical. Notice should include the anticipated timing and duration of the leave.

Failure to comply with these notice rules is grounds for and may result in, deferral of the request for leave until you comply with the notice requirement.

### Certification

Where leave is requested for your own or a covered family member's serious health condition, the company may require you to provide certification from your or their healthcare provider.

If leave is for your own serious health condition, certification must include

1. The date on which the serious health condition commenced.
2. The probable duration of the condition.
3. A statement that, due to a serious health condition, you are unable to perform the function of your position.

If leave is for a covered family member's serious health condition, certification must include:

1. The date on which the serious health condition began.
2. The probable duration of the condition.
3. An estimate of the amount of time that the health care provider believes you are needed to care for the family member.
4. A statement that the family member's serious health condition requires you to provide care during the period of treatment or supervision.

The company may require subsequent recertification of your own serious health condition if additional leave is required.

If the company has reason to doubt the validity of the certification provided, the company may require, at its own expense, that you obtain a second opinion from a health care provider, designated or approved by the company. If the second opinion differs from the original certification, the company may again require, at its own expense, that you obtain a third opinion from a different healthcare provider, designated or approved jointly by you and the company. The third opinion will be considered final and binding.

### Return to Work

If you take leave for your own serious health condition, you must obtain certification from your healthcare provider that you are able to resume work.

### Reinstatement

Upon return to work at the end of the leave, you will be placed in your original job or an equivalent job with equivalent pay and benefits. You will not lose any benefits that accrued before leave was taken. You may not, however, be entitled to discretionary raises, promotions, bonus payments, or other benefits that become available during the period of leave.

### Benefits

If the company provides you with health benefits under a group health plan, the company will maintain and pay for your health coverage for up to 12 weeks at the same level and under the same conditions as coverage would have been provided if you had not taken CTFMLA leave.

### Failure to Return to Work

If you fail to return to work or fail to request an extension of leave prior to the expiration of the leave, you will be considered to have voluntarily terminated your employment. If you fail to return from leave, the company may require reimbursement of the health insurance premiums paid during the leave under certain circumstances.

### Retaliation

The company will not retaliate against employees who request or take leave in accordance with this policy.

### Paid Family Leave Insurance

Connecticut's Paid Leave Authority (PFL) insurance program provides eligible employees with up to twelve weeks of partial wage replacement in any 12-month period to take time off from work to

- To receive treatment for or recover from one's own serious health condition.
- To bond with a new child that has entered the home through birth, adoption, or foster care. Bonding leave may be taken anytime within the 12 months following the child's birth, adoption, or placement in the home. In the case of foster care/adoption, bonding leave may also be taken to attend pre-placement activities.

- To provide physical or psychological care or psychological comfort and reassurance for a family member experiencing a serious health condition.
- To address certain issues arising from family violence (relocation, medical or psychological care, attending civil or criminal proceedings, seeking services from a victim services organization)

#### Military Specific Leave:

- To engage in certain activities arising from a spouse, child, or parent who is on federal active duty, or has been notified of an impending call or order to federal active duty in the Armed Forces (Qualifying Exigency Leave)
- To care for a family member who is a member of the military and who has experienced a serious injury or illness that occurred in the line of active duty in the Armed Forces.

#### To be Eligible:

- Minimum of \$2,325 in wages in at least one of the first 4 of the 5 most recently completed quarters (wages earned from multiple covered employers may be combined)
- Currently employed and working in CT
- Employees do not need to be a resident of CT
- Employees for whom an employer is paying CT unemployment insurance and CT payroll taxes are considered to be working in CT.

The 12-month period begins on the day a claim is submitted.

Weekly compensation shall be equal to 95% of the covered employee's base weekly earnings up to an amount equal to 40x the minimum wage, 60% of that covered employee's base weekly earnings above an amount equal to 40x the minimum wage.

An employee may apply for CT Paid Leave benefits by submitting their application through the online portal, accessed via [ctpaidleave.org](http://ctpaidleave.org), or by calling (877) 499-8606.

#### Connecticut - Sick Leave Policy

The company provides paid sick leave to all eligible employees in accordance with the Connecticut General Statutes §§ 31-57r - 31-57w – Paid Sick Leave.

#### Eligibility

An employee who works in Connecticut.

#### Reasons for Leave



Sick leave may be taken if the employee:

- The employee has a mental or physical illness, injury, or health condition; needs a medical diagnosis, care, or treatment related to such illness, injury, or condition; or needs to obtain preventive medical care;
- The employee needs to care for a family member who has a mental or physical illness, injury, or health condition; needs a medical diagnosis, care, or treatment related to such illness, injury, or condition; or needs to obtain preventive medical care;
- The employee or family member has been the victim of domestic abuse, sexual assault, or harassment and needs to be absent from work for purposes related to such crime; or
- A public official has ordered the closure of the school or place of care of the employee's child or of the employee's place of business due to a public health emergency, necessitating the employee's absence from work.

**Family member means:**

- Your children (including biological, adopted, or foster children, legal wards, children of a domestic partner, or children for whom you stand in loco parentis).
- Your spouse or registered domestic partner.
- Your parents or your spouse or registered domestic partner's parents (including biological, foster, and step-parents; adoptive parents; legal guardians; or persons who stood in loco parentis when you, or your spouse or domestic partner, was a minor child).
- Your grandparents.
- Your grandchildren.
- Your siblings.

### Amount of Leave and Usage

Eligible employees are provided with 40 hours of paid sick leave at the beginning of each leave year. For purposes of this policy, the leave year is based on each employee's work anniversary.

You may begin to use accrued paid sick leave once you have worked at the company for 85 days. Any unused sick leave expires at the end of the leave year and does not carry over to the following leave year.

You may only use 40 hours (five days) of paid sick leave per leave year. Paid sick leave may be taken in no less than one-hour increments.

### Notice

If your need for leave is foreseeable, you must provide as much advance notice as possible. If unforeseeable, provide notice as soon as practical. If known, notice should include the expected length of the absence.

### Documentation and Confidentiality

The company may request documentation verifying the appropriate use of leave. However, the company will treat the employee's information about the employee's or a family member's health condition or domestic abuse, sexual assault, or harassment case as confidential and prohibits an employer from disclosing such information or requiring the employee to disclose such information as a condition of using paid sick leave.

### Payment Upon Termination

You will not be paid for any unused sick leave when your employment ends.

### Reinstatement of Sick Leave Upon Rehire

If the employee is rehired, they begin to accrue paid sick leave hours anew, but pick up where they left off regarding the 680 hours of employment requirement.

### Interaction with Other Leave

Sick leave will run concurrently with other types of leave where permitted under applicable law.

### Retaliation

The company will not retaliate against employees who request or take leave in accordance with this policy.

### Pregnancy Accommodations

The company will provide reasonable accommodations to pregnant or those who are recovering from childbirth, lactation, or a related condition unless the accommodation

would impose an undue hardship on the company.  
Reasonable accommodations include, but are not limited to:

- provision of more frequent or longer break periods;
- more frequent restroom, food, and water breaks;
- acquisition or modification of equipment or seating;
- limitations on lifting;
- temporary transfer to a less strenuous or hazardous position if available, with
- return to the current position after pregnancy;
- job restructuring;
- light duty, if available;
- assistance with manual labor; or modified work schedule.
- break time for expressing milk

The company will not take adverse action against an employee who requests or uses a reasonable accommodation or deny employment opportunities to an applicant or employee based on the need to make a reasonable accommodation.

### **Lactation Accommodations**

The company will provide a private location, other than a toilet stall, where an employee can express breast milk privately during any period away from the employee's assigned duties. To the extent reasonably possible, The company will:

- Provide a refrigerator or other cold storage space for keeping milk that has been expressed; or

Allow employees to bring their own portable cold storage device for keeping milk that has been expressed until the end of the workday.

### **Health Benefits**

Health benefits are available to full time employees (definition is outlined previously in this workbook). Eligible employees may enroll in the company sponsored insurance plan after 120 days of employment. Once enrolled the company will cover 50% of your premium for you. Additional family members can be enrolled but will not be eligible for the employer contribution.

### Military Leave

Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with federal and state law.

The time off will be unpaid, except where state law dictates otherwise. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Accrued vacation may be used for this leave if the employee chooses. Military orders should be presented to your supervisor and arrangements for leave made as early as possible before departure. Employees are required to give advance notice of their service obligations to Club 24 unless military necessity makes this impossible. You must notify your supervisor of your intent to return to employment based on requirements of the law. Your benefits may continue to accrue during the period of leave in accordance with state and federal law.

Additional information regarding military leaves may be obtained from your supervisor.

### Connecticut Voting Leave

Employees are eligible to receive up to a maximum of two hours of unpaid time off from work to vote in state elections on the day of the election.

Employees who need to take time off during their shift to vote must submit a request to their supervisor in writing at least two days prior to the date of the election. Voting leave must be taken at the beginning or end of the work shift unless otherwise agreed upon by the company and the employee.

### Domestic Violence and Family Leave

Employees who are victims of family violence are provided with up to 12 days of leave to deal with problems related to the violence. Examples of such leave include:

- getting medical care for an injury,
- getting counseling or mental health assistance,
- get help from a domestic violence organization,
- going to a court hearing, or
- move to a new place to get away from the violence.

### Employee Obligations and Documentation

If possible, the employee should provide 7 days of advance notice to the company. The company may request a signed statement indicating the purpose of the leave, a police or court record, or a signed statement from a domestic violence organization, attorney, or counselor.

### Days Off

All requests for time off must be made with a time off request form no less than one week prior to the event. It is not official until a manager signs off. Once you have accepted a shift from a fellow employee, it is your shift for that day. If you cannot work, it is up to you make a time off request from another fellow employee. Managers will only cover shifts for you, if you have exhausted all other resources.

### Jury Duty

As a citizen, you may request time off if you receive a Jury Summons. Notify your supervisor immediately so that an attempt can be made to rearrange your work schedule. If your schedule cannot be rearranged, you will not be paid your regular wages for hours lost while serving. You may request to be excused from jury service if serving will cause you extreme financial hardship, you have no reasonable public or private transportation, or must travel an excessive distance.

We expect you to return to your job if you are excused from jury duty during your regular working hours.