

For employees who are commencing employment with Gainesville Health & Fitness ("Gainesville Health & Fitness" or "GHF"), on behalf of Gainesville Health & Fitness, let me extend a warm and sincere welcome. You will hear repeatedly many positive comments from our entire staff as you learn and practice every day our vision, our mission and our core purpose. These will be principles that will serve you throughout your life and make you a successful individual.

For employees who have been with us, thanks for your past and continued service.

I extend my personal best wishes for success and happiness here at Gainesville Health & Fitness. We understand that it is our employees who provide the services that our customers rely upon, and who will enable us to create new opportunities in the years to come.

Joe Cirulli, Owner

HANDBOOK DISCLAIMER

We prepared this handbook to help employees find the answers to many questions that they may have regarding their employment with Gainesville Health & Fitness. Please take the necessary time to read it.

We do not expect this handbook to answer all questions. Supervisors and Human Resources also serve as a major source of information.

Neither this handbook nor any other verbal or written communication by a management representative is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation, nor does it confer any contractual rights whatsoever. Gainesville Health & Fitness adheres to the policy of employment at will, which permits GHF or the employee to end the employment relationship at any time, for any reason, with or without cause or notice.

No GHF representative other than the President and/or the CFO and/or Director of Human Resources may modify at-will status and/or provide any special arrangement concerning terms or conditions of employment in an individual case or generally and any such modification must be in a signed writing.



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Section 1 - Governing Principles of Employment

1-1 Equal Employment Opportunity

Gainesville Health & Fitness is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, creed, color, religion, alienage or national origin, ancestry, citizenship status, age, disability or handicap, sex, marital status, veteran status, sexual orientation, gender identity and expression, genetic information, arrest record, or any other characteristic protected by applicable federal, state or local laws. Our management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment.

The GHF will endeavor to make a reasonable accommodation to the known physical or mental limitations of qualified employees with disabilities unless the accommodation would impose an undue hardship on the operation of our business. If you need assistance to perform your job duties because of a physical or mental condition, please let a Supervisor or the Director of Human Resources know.

GHF will endeavor to accommodate the sincere religious beliefs of its employees to the extent such accommodation does not pose an undue hardship on GHF's operations. If you wish to request such an accommodation, please speak to a Supervisor or the Director of Human Resources.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of a Supervisor or the Director of Human Resources. GHF will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If an employee feels he or she has been subjected to any such retaliation, he or she should bring it to the attention of a Supervisor or the Director of Human Resources. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all investigations.

1-2 Non-Harassment

It is Gainesville Health & Fitness's policy to prohibit intentional and unintentional harassment of any individual by another person on the basis of any protected classification including, but not limited to, race, color, national origin, disability, religion, marital status, veteran status, sexual orientation, gender identity and expression, or age. The purpose of this policy is not to regulate our employees' personal morality, but to ensure that in the workplace, no one harasses another individual.

If an employee feels that he or she has been subjected to conduct which violates this policy, he or she should immediately report the matter to a Supervisor or Director of Human Resources. If the employee is unable for any reason to contact this person, or if the employee has not received a satisfactory response within five (5) business days after reporting any

incident of what the employee perceives to be harassment, the employee should contact the Director of Human Resources. If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in his or her reporting hierarchy. Every report of perceived harassment will be fully investigated and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, GHF will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If an employee feels he or she has been subjected to any such retaliation, he or she should report it in the same manner in which the employee would report a claim of perceived harassment under this policy. Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including discharge. All employees must cooperate with all investigations.

1-3 Sexual Harassment

It is Gainesville Health & Fitness's policy to prohibit harassment of any employee by any Supervisor, employee, member, customer or vendor on the basis of sex or gender. The purpose of this policy is not to regulate personal morality within GHF. It is to ensure that at GHF all employees are free from sexual harassment. While it is not easy to define precisely what types of conduct could constitute sexual harassment, examples of prohibited behavior include unwelcome sexual advances, requests for sexual favors, obscene gestures, displaying sexually graphic magazines, calendars or posters, sending sexually explicit e-mails, text messages and other verbal or physical conduct of a sexual nature, such as uninvited touching of a sexual nature or sexually related comments. Depending upon the circumstances, improper conduct also can include sexual joking, vulgar or offensive conversation or jokes, commenting about an employee's physical appearance, conversation about your own or someone else's sex life, or teasing or other conduct directed toward a person because of his or her gender which is sufficiently severe or pervasive to create an unprofessional and hostile working environment.

If the employee feels that he or she has been subjected to conduct which violates this policy, the employee should immediately report the matter to a Supervisor or Director of Human Resources. If unable for any reason to contact this person, or if the employee has not received a satisfactory response within five (5) business days after reporting any incident of perceived harassment, the employee should contact Director of Human Resources. If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in his or her reporting hierarchy. Every report of perceived harassment will be fully investigated and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, GHF will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If an employee feels that he or she has been subjected to any such retaliation, the employee should report it in the same manner in which a claim of perceived harassment would be reported under this policy. Violation of this policy including

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1-4 Drug-Free and Alcohol-Free Workplace

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

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on GHF premises, while on GHF business (whether or not on GHF premises) or while representing GHF, is strictly prohibited. Employees and other individuals who work for GHF also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, which may impact an employee's ability to perform his or her job or otherwise pose safety concerns, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work. However, this does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a positive drug test, to the extent an employee is subject to any drug testing requirement, to the permitted accordance with applicable extent bν and in

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

The GHF maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history that reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any GHF employee, including themselves.

1-5 Workplace Violence

Gainesville Health & Fitness is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to GHF and personal property.

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

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment,

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Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in GHF policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or Supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; or demonstrating a propensity to behave and react irrationally.

Prohibited Conduct

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

Procedures for Reporting a Threat



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Procedures for Reporting a Threat

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

If GHF determines, after an appropriate good faith investigation, that someone has violated this policy, GHF will take swift and appropriate corrective action.

If an employee is the recipient of a threat made by an outside party, that employee should follow the steps detailed in this section. It is important for us to be aware of any potential danger in our facilities. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.



Section 2 - Operational Policies

2-1 Employee Classifications

For purposes of this handbook, all employees fall within one of the classifications below.

Full-Time Employees - Employees who regularly work at least 30 hours per week who were not hired on a short-term basis.

Part-Time Employees - Employees who regularly work fewer than 30 hours per week who were not hired on a short-term basis.

In addition to the above classifications, employees are categorized as either "exempt" or "non-exempt" for purposes of federal and state wage and hour laws. Employees classified as exempt do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such salary may be paid less frequently than weekly. The employee will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

Additionally, each new employee serves and initial employment provisional period for 90 calendar days following the first day the new employee begins work. Pursuant to Florida law, if the employee is separated during this time for unsatisfactory work performance, reemployment assistance benefits subsequently paid are not chargeable to the employer's employment record.

2-2 Your Employment Records

In order to obtain their position, employees provided us with personal information, such as address and telephone number. This information is contained in the employee's personnel file.

The employee should keep his or her personnel file up to date by informing Director of Human Resources of any changes. The employee also should inform Director of Human Resources of any specialized training or skills he or she may acquire in the future, as well as any changes to any required visas. This may be done through a supervisor, as well. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach the employee in a crisis could cause a severe health or safety risk or other significant problem.

2-3 Working Hours and Schedule

Gainesville Health and Fitness has three facilities, the Main Center, the Women's Center and the Tioga Town Center. Generally, the Main Center is a 24-hour facility and both the Women's Center and Tioga Town Center have specific hours, which may from time to time

change. In is incumbent upon each employee to familiarize themselves as to the hours of each center. The employee will be assigned a work schedule and will be expected to begin and end work according the schedule and pursuant to any applicable laws.

Employees will be provided meal and rest periods as required by law. A Supervisor will provide further details.

2-4 Timekeeping Procedures

Employees must record their actual time worked for payroll and benefit purposes. Nonexempt employees must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, utilizing Workforce Go at each center with your personal login and passcode.

Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time, however as a general rule should be present and ready for work five minutes before each shift.

It is the employee's responsibility to complete time records and to verify the accuracy. Errors should be reported to a Supervisor, who will attempt to correct legitimate errors at that time. Once payroll has been sent to the business office for processing, any errors will be corrected by the end of the next pay period through the Director of Payroll with supervisory approval/acknowledgment.

2-5 Overtime

Like most successful companies, we experience periods of extremely high activity. During these busy periods, additional work is required from all of us. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide employees with adequate advance notice in such situations.

Any non-exempt employee who works overtime will be compensated at the rate of one and one-half times (1.5) his/her normal hourly wage for all time worked in excess of forty (40) hours each week, unless otherwise required by law. Any non-exempt employee having access to any GHF electronic material should know that nothing after the employee's work hours or clocking out, is of an emergent nature and nothing is to be worked on until the employees next scheduled time to work providing, too, that it doesn't interfere with normal work assignments then. Any exempt employee with such access who responds to any

electronic inquiry does so knowing neither overtime nor additional compensation will be made.

Employees may work overtime only with prior management authorization.

For purposes of calculating overtime for non-exempt employees, the workweek begins at 12 a.m. on Sunday and ends 168 hours later at 12 a.m. on the following Sunday.

2-6 Travel Time for Non-Exempt Employees

Overnight, Out-of-Town Trips

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

Out-of-Town Trips for One Day

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

Local Travel

Non-exempt employees will be compensated for time spent traveling from one job site to another job site during a workday. The trip home, however, is non-compensable when an employee goes directly home from his/her final job site.

Commuting Time

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

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

To the extent that applicable state law provides greater benefits, state law applies.



2-7 Your Pay

The employee will be paid semi-monthly for all the time worked during the past pay period. Paydays will be the eighth and twenty-third of the month unless such dates appear on holidays or weekends. In that case, pay will be the last business day prior to such holiday or weekend.

Itemized deductions are made from gross earnings. By law, GHF is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Payroll itemization will also differentiate between regular pay received and overtime pay received.

If there is an error in an employee's pay, the employee should bring the matter to the attention of the Employee's Supervisor or the GHF Business Office immediately so GHF can resolve the matter quickly and amicably. Adjustments will be made in the next pay cycle.

Employee pay details will be available each payday through Workforce Go for each individual employee through the assigned login and passcode.

2-8 Direct Deposit

Gainesville Health & Fitness has implemented the use of electronic direct deposit and employees <u>must</u> participate. Authorization forms are available from your supervisor, the Director of Payroll or the CFO as you begin with GHF and during your employ should changes be necessary.

2-9 Performance Review

Depending on the employee's position and classification, Gainesville Health & Fitness endeavors to review performance as determined by management. However, a positive performance evaluation does not guarantee an increase in salary, a promotion or continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management.

In addition to these formal performance evaluations, GHF encourages employees and supervisors to discuss job performance on a frequent and ongoing basis.



Section 3 - Benefits

3-1 Benefits Overview/Disclaimer

In addition to good working conditions and competitive pay, it is Gainesville Health & Fitness's policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These benefits include time-off benefits, such as vacations and holidays, and insurance and other plan benefits. We are constantly studying and evaluating our benefits programs and policies to better meet present and future requirements. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs Gainesville Health & Fitness provides employees and their families. Of course, the information presented here is intended to serve only as guidelines.

The descriptions of the insurance and other plan benefits merely highlight certain aspects of the applicable plans for general information only. The details of those plans are spelled out in the official plan documents, which are available for review upon request from the Benefits Manager at the business office. Additionally, the provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") for the plans (which may be revised from time to time). In the determination of benefits and all other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs and this handbook.

Further, Gainesville Health & Fitness (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

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

If employees have any questions regarding benefits, they should contact the Benefits Manager at the business office.

3-2 Paid Holidays

Full-time Exempt employees will be paid for the following holidays:

New Year's Day

Thanksgiving Day

Christmas Day

Independence Day

Labor Day

Memorial Day

3-3 Paid Time Off

We know how hard employees work and recognize the importance of providing time for rest and relaxation. We fully encourage employees to get this rest by taking paid time off. Time off under this policy includes extended time off, such as for a vacation, and incidental time due to sickness or to handle personal affairs.

Full-time employees accrue paid time off as follows:

During the first six months of employment, no leave is granted. From the six to twelve months of employment, five days are earned. From twelve months and beyond, ten days are earned per year. Paid time off should be taken during the year received, unless otherwise required by law.

If an employee wishes to use three (3) or more full days of paid time off consecutively, the employee must submit a request to his or her supervisor at least four (4) weeks in advance of the requested time off. Similar notice should be provided for planned time off of shorter duration. Every effort will be made to grant requests, consistent with our operating schedule. However, if too many people request the same period of time off, GHF reserves the right to choose who may take time off during that period. Individuals with the longest length of service generally will be given preference.

Any paid time off must be at least a half-day increment.

Employees may not accrue more than ten (10) days of paid leave at any time.

Advanced but non-accrued paid time off will be deducted from an employee's final paycheck, to the extent permitted by law.

3-4 Workers' Compensation

On-the-job injuries are covered by our Workers' Compensation Insurance Policy, which is provided at no cost. If employees are injured on the job, no matter how slightly, they should

report the incident immediately to their Supervisor. Failure to follow GHF procedures may affect the ability of the employee to receive Workers Compensation benefits.

This is solely a monetary benefit and not a leave of absence entitlement. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

3-5 Jury Duty

Gainesville Health & Fitness realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. Employees are expected, however, to provide proper notice of a request to perform jury duty and verification of their service.

Employees also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. If the required absence presents a serious conflict for management, employees may be asked to try to postpone jury duty.

Exempt employees will be paid their full salary for any week in which time is missed due to jury duty if work is performed for GHF during such week.

3-6 Bereavement Leave

We know the death of a family member is a time when employees wish to be with their families. If the employee is a full-time employee and loses a close relative, he or she will be allowed paid time off of up to 3 days to assist in attending to his or her obligations and commitments. For the purposes of this policy, a close relative includes a spouse, domestic partner, child, parent, and sibling or as approved by HR. Paid leave days only may be taken within a reasonable time frame in proximity to the death. Employees must inform their Supervisors prior to commencing bereavement leave. In administering this policy, GHF may require verification of death.

3-7 Voting Leave

GHF recognizes that voting is a right and privilege of being a citizen of the United States and encourages employees to exercise their right to vote. In almost all cases, you will have sufficient time outside working hours to vote. If for any reason you think this won't be the case, contact your supervisor to discuss scheduling accommodations.



3-8 Insurance Programs

Full-time employees may participate in the GHF's insurance programs. Under these plans, eligible employees will receive comprehensive health and other insurance coverage for themselves and their families, as well as other benefits.

Upon becoming eligible to participate in these plans, you will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Of course, feel free to speak to the Benefits Manager at the business office if you have any further questions.

3-9 Long-Term Disability Benefits

Full-time employees are eligible to participate in the Long-Term Disability plan, subject to all terms and conditions of the agreement between the GHF and the insurance carrier.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

3-10 Salary Continuation

Gainesville Health & Fitness provides enhanced monetary short-term disability benefits to full-time employees. These enhanced monetary benefits are inclusive of any monetary workers' compensation or statutory short-term disability benefits.

This is not a leave of absence provision. Employees who will be out of work must request a leave of absence. See the Leave of Absence sections of this handbook for more information. Employees will be required to submit medical certification as requested by Gainesville Health & Fitness. Required medical certification under this policy may differ from the medical certification required for any leave of absence requested.



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3-9 Long-Term Disability Benefits

Full-time employees are eligible to participate in the Long-Term Disability plan, subject to all terms and conditions of the agreement between the GHF and the insurance carrier.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

3-10 Salary Continuation

Gainesville Health & Fitness provides enhanced monetary short-term disability benefits to full-time employees. These enhanced monetary benefits are inclusive of any monetary workers' compensation or statutory short-term disability benefits.

This is not a leave of absence provision. Employees who will be out of work must request a leave of absence. See the Leave of Absence sections of this handbook for more information. Employees will be required to submit medical certification as requested by Gainesville Health & Fitness. Required medical certification under this policy may differ from the medical certification required for any leave of absence requested.



Section 4 - Leaves of Absence

4-1 Personal Leave

If employees are ineligible for any other GHF leave of absence, Gainesville Health & Fitness, under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and employees are not eligible for leave under the federal Family and Medical Leave Act (FMLA) or any state leave law, medical certification also must be submitted. The request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. However, a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to HR for approval. During the leave, employees will not earn vacation, personal days or sick days. We will continue health insurance coverage during the leave if employees submit their share of the monthly premium payments to GHF in a timely manner, subject to the terms of the plan documents.

When the employee anticipates returning to work, he or she should notify management of the expected return date. This notification should be made at least one week before the end of the leave.

Upon completion of the personal leave of absence, GHF will attempt to return employees to their original job or a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

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

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

4-2 Military Leave

If employees are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, employees must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, employees will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should ask management for further information about eligibility for Military Leave.

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

4-3 Family and Medical Leave

The Leave Policy

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

Eligibility

FMLA leave is available to "eligible employees." To be an "eligible employee," an employee must: 1) have been employed by the GHF for at least 12 months (which need not be consecutive); 2) have been employed by the GHF for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave; and 3) be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

II. Entitlements

As described below, the FMLA provides eligible employees with a right to leave, health insurance benefits and, with some limited exceptions, job restoration.

A. Basic FMLA Leave Entitlement

The FMLA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined based on the calendar year. Leave may be taken for any one, or for a combination, of the following reasons:

- To care for the employee's child after birth or placement for adoption or foster care;
- To care for the employee's spouse, son, daughter or parent (but not in-law) who has a serious health condition;
- For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care or childbirth) that makes the

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

1. Content of Employee Notice

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

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

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

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

2. Timing of Employee Notice

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

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

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

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered service member, GHF may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

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

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

Depending on the nature of FMLA leave sought, employees may be required to submit medical certifications supporting their need for FMLA-qualifying leave. As described below, there generally are three types of FMLA medical certifications: an **initial certification**, a **recertification** and a **return to work/fitness for duty certification**.

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

With the employee's permission, GHF (through individuals other than an employee's direct supervisor) may contact the employee's health care provider to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide GHF with authorization allowing it to clarify or authenticate certifications with health care providers, GHF may deny FMLA leave if certifications are unclear.

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for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active duty status of the same or a different military member.

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

E. Substitute Paid Leave for Unpaid FMLA Leave

Employees must use any accrued paid time while taking unpaid FMLA leave.

The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leave and the paid time will run concurrently with an employee's FMLA entitlement.

Leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement. Upon written request, the GHF will allow employees to use accrued paid time to supplement any paid disability benefits

F. Pay Employee's Share of Health Insurance Premiums

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

If FMLA leave is unpaid, employees must pay their portion of the group health premium through a method determined by the Company upon leave.

IV. Questions and/or Complaints about FMLA Leave

If you have questions regarding this FMLA policy, please contact Director of Human Resources or Benefits Manager at the Business Office. GHF is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact Director of Human Resources or Benefits Manager at the Business Office immediately. GHF will investigate any FMLA complaints and take prompt and appropriate

remedial action to address and/or remedy any FMLA violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations.

V. Coordination of FMLA Leave with Other Leave Policies

The FMLA does not affect any federal, state or local law prohibiting discrimination, or supersede any State or local law that provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult GHF's other leave policies in this handbook or contact Director of Human Resources or Benefits Manager at the Business Office.

4-4 Domestic Violence Leave

An employee who has worked for GHF for at least three (3) months may be granted up to 3 days of unpaid leave within a 12-month period if the employee or a family or household member of an employee is the victim of domestic violence. Additional leave may be granted at GHF's discretion.

Leave may be used to:

- seek an injunction for protection against domestic violence or an injunction for protection in cases of repeat violence, dating violence or sexual violence;
- obtain medical care or mental health counseling, or both, for the employee or a family or household member to address physical or psychological injuries resulting from the act of domestic violence;
- obtain services from a victim-services organization, including, but not limited to, a
 domestic violence shelter or program or a rape crisis center as a result of the act
 of domestic violence;
- make their home secure from the perpetrator of the domestic violence or to seek new housing to escape the perpetrator; or
- seek legal assistance in addressing issues arising from the act of domestic violence.

"Family or household member" means spouses, former spouses, persons related by blood or marriage, persons who are presently residing together as if a family or who have resided together in the past as if a family, and persons who are parents of a child in common regardless of whether they have been married. With the exception of persons who have a child in common, the family or household members must be currently residing or have in the past resided together in the same single dwelling unit.

Except in cases of imminent danger to the health or safety of an employee or his or her family or household member, one (1) day advance notice of the need for leave is required.

Sufficient documentation of the act of domestic violence, such as a restraining order, police report or order to appear in court, is also required. Requests for leave and documents in connection with this leave will be kept confidential to the extent permitted by law.

All paid time off available must be exhausted before receiving this leave.



Section 5 - General Standards of Conduct

5-1 Workplace Conduct

Gainesville Health & Fitness endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense and fair play.

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

- Obtaining employment based on false or misleading information.
- Stealing, removing or defacing Gainesville Health & Fitness property or a coworker's property, and/or disclosure of confidential information.
- Completing another employee's time records.
- Violation of safety rules and policies.
- Violation of Gainesville Health & Fitness's Drug and Alcohol-Free Workplace Policy.
- Fighting, threatening or disrupting the work of others or other violations of Gainesville Health & Fitness's Workplace Violence Policy.
- 7. Failure to follow lawful instructions of a supervisor.
- 8. Failure to perform assigned job duties.
- Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences.
- Gambling on GHF property.
- Willful or careless destruction or damage to GHF assets or to the equipment or possessions of another employee.
- Wasting work materials.
- Performing work of a personal nature during working time.
- Violation of the Solicitation and Distribution Policy.
- Violation of Gainesville Health & Fitness's Harassment or Equal Employment Opportunity Policies.
- Violation of the Communication and Computer Systems Policy.
- Unsatisfactory job performance.
- 18. Any other violation of Company policy.

Obviously, not every type of misconduct can be listed. Note that all employees are employed at-will, and Gainesville Health & Fitness reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. GHF will deal with each situation individually and nothing in this handbook should be construed as a promise of specific treatment in a given situation. However, Gainesville Health & Fitness will endeavor to utilize progressive

discipline but reserves the right in its sole discretion to terminate an employee at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

5-2 Punctuality and Attendance

Employees are hired to perform important functions at Gainesville Health & Fitness. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on fellow employees and Supervisors. We expect excellent attendance from all employees. Each department will monitor and maintain attendance and tardiness and affix a point system which is explained in fuller detail at the department level. The point system is consistent within each department and available upon request. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

We do recognize, however, there are times when absences and tardiness cannot be avoided. In such cases, employees are expected to notify Supervisors as early as possible and within the guidelines of the point system. Asking another employee, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. Employees should call, stating the nature of the illness and its expected duration, for every day of absenteeism.

Unreported absences of three (3) consecutive workdays generally will be considered a voluntary resignation of employment with GHF.

5-3 Use of Communications and Computer Systems

Gainesville Health & Fitness's communication and computer systems are intended primarily for business purposes; however, limited personal usage is permitted if it does not hinder performance of job duties or violate any other GHF policy. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of the Gainesville Health & Fitness systems.

Gainesville Health & Fitness may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when GHF deems it appropriate to do so. The reasons for which GHF may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that GHF operations continue appropriately during an employee's absence.

Further, Gainesville Health & Fitness may review Internet usage to ensure that such use with GHF property, or communications sent via the Internet with GHF property, are appropriate. The reasons for which GHF may review employees' use of the Internet with GHF property include, but are not limited to maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that GHF operations continue appropriately during an employee's absence.

GHF may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

GHF's policies prohibiting harassment, in their entirety, apply to the use of GHF's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Further, since GHF's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.

No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.

Violators of this policy may be subject to disciplinary action, up to and including discharge.

5-4 Use of Social Media

Gainesville Health & Fitness respects the right of any employee to maintain a blog or web page or to participate in a social networking, Twitter or similar site, including but not limited to Facebook and LinkedIn. However, to protect GHF interests and ensure employees focus on their job duties, employees must adhere to the following rules:

Employees may not post on a blog or web page or participate on a social networking platform, such as Twitter or similar site, during work time or at any time with GHF equipment or property.

All rules regarding confidential and proprietary business information apply in full to blogs, web pages and social networking platforms, such as Twitter, Facebook, LinkedIn or similar sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed in a blog, web page or social networking site.

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If an employee who uses a personal PCD for business resigns or is discharged, the employee will be required to submit the device to management who will coordinate the resetting on or before his or her last day of work. At that time, the IT department will reset and remove all information from the device, including but not limited to, GHF information and personal data (such as contacts, e-mails and photographs). The IT department will make efforts to provide employees with the personal data in another form (e.g., on a disk or thumb drive) to the extent practicable; however, the employee may lose some or all personal data saved on the device.

Employees may not use their personal PCD for business unless they agree to submit the device to management on or before their last day of work for resetting and removal of GHF information. This is the only way currently possible to ensure that all GHF information is removed from the device at the time of termination. The removal of GHF information is crucial to ensure compliance with GHF's confidentiality and proprietary information policies and objectives.

Please note that whether employees use their personal PCD or a GHF-issued device, GHF's electronic communications policies, including but not limited to, proper use of communications and computer systems, remain in effect.

Portable Communication Device Use While Driving

Employees who drive on GHF business must abide by all state or local laws prohibiting or limiting PCD (cell phone or personal digital assistant) use while driving. Further, even if usage is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employee is driving, and permitted by law, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a cell phone while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving is prohibited in all circumstances.



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5-6 Inspections

Gainesville Health & Fitness reserves the right to require employees while on GHF property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on GHF or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to GHF or to its clients. Employees are expected to cooperate in the conduct of any search or inspection.

5-7 Smoking

Smoking, including the use of e-cigarettes, is PROHIBITED on all GHF premises and parcels.

5-8 Personal Visits and Telephone Calls

Disruptions during work time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during lunch or break time.

For safety and security reasons, employees are prohibited from having personal guests visit or accompany them anywhere in our facilities other than the reception areas.

5-9 Solicitation and Distribution

To avoid distractions, solicitation by an employee of another employee is prohibited while either employee (1) is on work time or (2) is in a selling or direct customer service area. "Work time" is defined as the time an employee is engaged, or should be engaged, in performing his/her work tasks for GHF. Solicitation of any kind by non-employee on GHF premises is prohibited at all times.

Distribution of advertising material, handbills, printed or written literature of any kind is prohibited (1) during work time or (2) in all work areas including in selling and direct customer service areas. Distribution of literature by non-employees on GHF premises is prohibited at all times.

5-10 Bulletin Boards

Important notices and items of general interest are continually posted on our bulletin boards to include electronic notices usually found in the employee break room/areas. Employees should make it a practice to review frequently. This will assist employees in keeping up with what is current at Gainesville Health & Fitness. To avoid confusion, employees should not post or remove any material from the bulletin board.

5-11 Confidential Company Information

During the course of work, an employee may become aware of confidential information about Gainesville Health & Fitness's business, including but not limited to information regarding GHF finances, pricing, products and new product development, software and computer programs, marketing strategies, suppliers and customers and potential customers. An employee also may become aware of similar confidential information belonging to the GHF's clients. It is extremely important that all such information remain confidential, and particularly not be disclosed to our competitors. Any employee who improperly copies, removes (whether physically or electronically), uses or discloses confidential information to anyone outside of the GHF may be subject to disciplinary action up to and including termination. Employees may be required to sign an agreement reiterating these obligations.

5-12 Conflict of Interest and Business Ethics

It is Gainesville Health & Fitness's policy that all employees avoid any conflict between their personal interests and those of GHF. The purpose of this policy is to ensure that GHF's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of GHF.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

- holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with GHF, by any employee who is in a position to directly or indirectly influence either GHF's decision to do business, or the terms upon which business would be done with such organization;
- 2. holding any interest in an organization that competes with GHF;
- being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with GHF or which competes with GHF; and/or
- profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with GHF.
- Any payments by any member, client or organization to an employee without being affixed to the operational bookkeeping of the company is expressly prohibited.

A conflict of interest would also exist when a member of an employee's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of <u>modest</u> courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is your responsibility to report any actual or potential conflict that may exist between you (and your immediate family) and GHF.

5-13 Use of Facilities, Equipment and Property, Including Intellectual Property

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

Employees should notify their Supervisor if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of loss, damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The Supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment used on the job.

Employees also are prohibited from any unauthorized use of GHF's intellectual property, such as audio and video tapes, print materials and software without management permission.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

Further, GHF is not responsible for any damage to employees' personal belongings unless the employee's Supervisor provided advance approval for the employee to bring the personal property to work.

5-14 Health and Safety

The health and safety of employees and others on GHF property are of critical concern to Gainesville Health & Fitness. GHF intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on GHF's premises, or in a product, facility, piece of equipment, process or business practice for which GHF is responsible should be brought to the attention of management immediately.



Periodically, GHF may issue rules and guidelines governing workplace safety and health. GHF may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste. All employees should familiarize themselves with these rules and guidelines, as strict compliance will be expected.

Any workplace injury, accident, or illness must be reported to the employee's Supervisor as soon as possible, regardless of the severity of the injury or accident.

5-15 Hiring Relatives/Employee Relationships

A familial relationship among employees can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, Gainesville Health & Fitness may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

In other cases, such as personal relationships where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or discharged from employment, at the discretion of GHF. Accordingly, all parties to any type of intimate personal relationship must inform management. Further, should the employee continue to work in a department where a relationship does exist, the employees may not be directly supervised by the other, rather they must be supervised by a different supervisor in the chain or another department all together.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. GHF generally will attempt to identify other available positions, but if no alternate position is available, GHF retains the right to decide which employee will remain with GHF.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

5-16 Employee Dress and Personal Appearance

You are expected to report to work well groomed, clean, and dressed according to the requirements of your position. Some employees may be required to wear uniforms or safety equipment/clothing. Please contact your Supervisor for specific information regarding acceptable attire for your position. If you report to work dressed or groomed inappropriately, you may be prevented from working until you return to work well groomed and wearing the proper attire.



5-17 Publicity/Statements to the Media

All media inquiries regarding the position of GHF as to any issues must be referred to the respective managers of each center and/or the Director of Marketing. Only the respective managers of each center and/or the Director of Marketing is authorized to make or approve public statements on behalf of GHF. No employees, unless specifically designated by the respective managers of each center and/or the Director of Marketing, are authorized to make those statements on behalf of GHF. Any employee wishing to write and/or publish an article, paper, or other publication on behalf of GHF must first obtain approval from the respective managers of each center and/or the Director of Marketing who will then get final approval of the owner.

5-18 Operation of Vehicles

All employees using or driving personal vehicles in conducting GHF business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

An employee must have a valid driver's license in his or her possession while operating a vehicle off or on GHF property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times.

Any vehicles rented or leased by GHF may be used only as authorized by management.

Portable Communication Device Use While Driving

Employees who drive on GHF business must abide by all state or local laws prohibiting or limiting portable communication device (PCD) use, including cell phones or personal digital assistants, while driving. Further, even if use is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employee is driving, and permitted by law, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.



Since this policy does not require any employee to use a PCD while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving is prohibited in all circumstances.

5-19 Business Expense Reimbursement

Employees will be reimbursed for reasonable approved expenses incurred in the course of business. These expenses must be approved by the employee's Supervisor, and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to the CFO and/or the Director of Payroll along with the receipts in a timely manner. This would also include any necessary purchases authorized for the company to the employee with submitted receipts. Reimbursements will occur before the close of the next pay period.

5-20 References

Gainesville Health & Fitness will respond to reference requests through the Human Resources Department. GHF will provide general information concerning the employee such as date of hire, date of discharge, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to the Human Resources Department.

Only the Human Resources Department may provide references.

5-21 If You Must Leave Us

Should an employee decide to leave GHF, we ask that he or she provide a Supervisor with at least two weeks advance notice of departure. Thoughtfulness will be appreciated. All GHF, property including, but not limited to, keys, computers, uniforms, etc., must be returned at separation. Employees also must return all of GHF,'s Confidential Information upon separation. To the extent permitted by law, employees will be required to repay GHF, (through payroll deduction, if lawful) for any lost or damaged GHF, property. As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

5-22 Exit Interviews

Employees who resign are requested to participate in an exit interview with Human Resources, if possible.



5-23 A Few Closing Words

This handbook is intended to give employees a broad summary of things they should know about Gainesville Health & Fitness. The information in this handbook is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this handbook, Gainesville Health & Fitness, in its sole discretion, may always amend, add to, delete from or modify the provisions of this handbook and/or change its interpretation of any provision set forth in this handbook. Employees should not hesitate to speak to management if they have any questions about GHF or its personnel policies and practices.



General Handbook Acknowledgment

This Employee handbook is an important document intended to help you become acquainted with Gainesville Health & Fitness. This document is intended to provide guidelines and general descriptions only; it is not the final word in all cases. Individual circumstances may call for individual attention.

Because GHF's operations may change, the contents of this handbook may be changed at any time, with or without notice, in an individual case or generally, at the sole discretion of management.

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Receipt of Sexual Harassment Policy

It is Gainesville Health & Fitness's policy to prohibit harassment of any employee by any Supervisor, employee, member, customer or vendor on the basis of sex or gender. The purpose of this policy is not to regulate personal morality within GHF. It is to ensure that at GHF all employees are free from sexual harassment. While it is not easy to define precisely what types of conduct could constitute sexual harassment, examples of prohibited behavior include unwelcome sexual advances, requests for sexual favors, obscene gestures, displaying sexually graphic magazines, calendars or posters, sending sexually explicit emails, text messages and other verbal or physical conduct of a sexual nature, such as uninvited touching of a sexual nature or sexually related comments. Depending upon the circumstances, improper conduct also can include sexual joking, vulgar or offensive conversation or jokes, commenting about an employee's physical appearance, conversation about your own or someone else's sex life, or teasing or other conduct directed toward a person because of his or her gender which is sufficiently severe or pervasive to create an unprofessional and hostile working environment.

If the employee feels that he or she has been subjected to conduct which violates this policy, the employee should immediately report the matter to a Supervisor or Director of Human Resources. If unable for any reason to contact this person, or if the employee has not received a satisfactory response within five (5) business days after reporting any incident of perceived harassment, the employee should contact Director of Human Resources. If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in his or her reporting hierarchy. Every report of perceived harassment will be fully investigated and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, GHF will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If an employee feels that he or she has been subjected to any such retaliation, the employee should report it in the same manner in which a claim of perceived harassment would be reported under this policy. Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including discharge. All employees must cooperate with all investigations.



Receipt of Non-Harassment Policy

It is Gainesville Health & Fitness's policy to prohibit intentional and unintentional harassment of any individual by another person on the basis of any protected classification including, but not limited to, race, color, national origin, disability, religion, marital status, veteran status, sexual orientation, gender identity and expression, or age. The purpose of this policy is not to regulate our employees' personal morality, but to ensure that in the workplace, no one harasses another individual.

If an employee feels that he or she has been subjected to conduct which violates this policy, he or she should immediately report the matter to a Supervisor or Director of Human Resources. If the employee is unable for any reason to contact this person, or if the employee has not received a satisfactory response within five (5) business days after reporting any incident of what the employee perceives to be harassment, the employee should contact the Director of Human Resources. If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in his or her reporting hierarchy. Every report of perceived harassment will be fully investigated and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, GHF will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If an employee feels he or she has been subjected to any such retaliation, he or she should report it in the same manner in which the employee would report a claim of perceived harassment under this policy. Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including discharge. All employees must cooperate with all investigations.

