

# **EMPLOYEE MANUAL**

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| Date:                 |       |      |  |

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# 1. Introduction

**4.20.** Paid Time Off (PTO)

Welcome to [Franchise Location Name]. We wish you every success here!

We believe that each employee contributes directly to our growth and success, and we hope you will take pride in being a member of our team.

This Handbook was developed to describe some of the expectations we have for our employees and to outline the policies, practices, and benefits available to eligible employees. You should familiarize yourself with the contents of this Handbook as soon as possible, as it will answer many questions about your employment.

The contents of this Handbook have been carefully considered. We believe you will find the policies to be beneficial. We hope that your experience here will be challenging, enjoyable, and rewarding.

## 1.1 Purpose of this Handbook

This Handbook is intended to provide employees with a general understanding of our personnel policies and practices; however, it cannot anticipate every situation or answer every question about employment. Zoomin Groomin, at its sole discretion, retains the right to decide, on a case-by-case basis, any issues not covered by the Handbook. Zoomin Groomin adheres to the "employment at will" doctrine. Neither the employee nor Zoomin Groomin is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time. This Handbook is not an employment contract, nor is it intended to create contractual obligations of any kind. In order to retain necessary flexibility in the administration of policies and practices, Zoomin Groomin reserves the right to change, revise, or eliminate any of the policies and/or benefits described in this handbook at any time, with or without notice. This Handbook outlines the employee policies and practices of Zoomin Groomin. Any oral or written statements to the contrary by anyone at Zoomin Groomin are unauthorized, disavowed, and should not be relied upon. Any deviations from the stated policies must be authorized and approved in writing by the President or the designated company officer. The policies and practices contained in this Handbook are designed to comply with all applicable local, state, and federal laws and regulations. In the event of any conflict between the contents of this Handbook and the law, the law will govern. The policies and practices contained in this Handbook may contain summaries of benefit plans. In the event of a conflict between the contents of this Handbook and the Plan Documents, the Plan Documents will govern. Zoomin Groomin reserves the right to add to, modify, or eliminate these

benefits plans at any time, at its sole discretion.

## 1.2 Equal Employment Opportunity

It is the policy of Zoomin Groomin to offer equal employment opportunities for employment and advancement to all applicants and employees, regardless of race, age, color, gender, sexual orientation, religion, national origin, handicap, and/or veteran status. We, therefore, reaffirm that it is the established policy of Zoomin Groomin to:

- Recruit, hire, train, and promote individuals to all jobs without regard to race, color, religion, gender, age, national origin, handicap, and/or veteran status.
- Base all employment decisions in a manner that furthers the principle of equal opportunity.
- Ensure that all employment decisions, such as compensation, benefits, layoffs, Company-sponsored training, social and/or recreational programs, will be administered without regard to race, color, religion, gender, sexual orientation, age, national origin, handicap, and/or veteran status.

We are counting on everyone, individually and collectively, to positively and constructively support this policy.

# 1.3 Immigration Law Compliance

Zoomin Groomin is committed to employing only United States citizens and aliens who are legally authorized to work in the United States and does not unlawfully discriminate based on citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, 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 within 48 hours of their hire. Former employees who are rehired must also complete the form if they have not completed an I-9 with Zoomin Groomin within the past three years or if their previous I-9 is no longer

retained or valid. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

# 2. Confidentiality and Non-Disclosure

Zoomin Groomin is a mobile pet care business providing services throughout the USA. As such, Zoomin Groomin operates in a highly competitive marketplace. In this regard, any information about Zoomin Groomin is considered to be confidential and company proprietary and is not to be disclosed to anyone, for any reason, by any employee of Zoomin Groomin.

Examples of confidential and company proprietary information include, but are not limited to:

- Customer information, including names, addresses, and telephone numbers.
- Business information, such as catalogs, brochures, price lists, contracts, and telephone lists.
- Financial information, encompassing administrative procedures, profit and loss statements, and all other financial data of Zoomin Groomin or its clients
- Operational information, covering operating procedures, contract specifications, capabilities, and processes.
- Employee information, consisting of employee names, addresses, telephone numbers, employee handbooks, wage rates, and benefits.

In simple terms, do not discuss the business of Zoomin Groomin with anyone outside of the business unless the discussion is essential to the performance of your job.

In addition, Zoomin Groomin is also a target of random solicitations and requests for information of a general nature (for example, the number of employees, client information, business information, etc.) about its business operations. Employees are not to respond to such solicitations and requests unless the employee is familiar with the caller, the information sought is for a specific purpose related to [franchise location name] business, and the subject matter of the request is within the employee's area of responsibility. Otherwise, such solicitations or requests should be referred to your supervisor.

Furthermore, Zoomin Groomin employees may have access to the private residences or properties under management. Employees must always respect the privacy of such residences and properties.

Disclosure of confidential, company proprietary information may result in disciplinary action, up to and including termination of employment.

# 3. Employment Status

It is the intent of Zoomin Groomin to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility.

Each employee is designated as HOURLY, COMMISSION ONLY, or SALARIED under federal and state wage and hour laws.

HOURLY employees are those assigned to positions for which an Hourly Rate of Pay is received. Hourly employees are paid their base rate of pay for all hours worked up to forty (40) in a workweek (as defined in the Handbook) and are entitled to overtime pay for all hours worked over forty (40) in a workweek under the specific provisions of federal and state laws. Full-time regular hourly employees (as defined in the Handbook) are entitled to Company benefits available to Hourly employees.

COMMISSION ONLY OR SALARIED employees are those assigned to Management, Professional, Supervisory positions, or Skilled Groomer positions and are excluded/exempt from specific provisions of federal and state wage and hour laws and are not overtime eligible. Full-time regular salaried employees (as defined in the Handbook) are entitled to Company benefits available to salaried employees.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work Zoomin Groomin's

full-time schedule. Generally, they are eligible for benefits programs, subject to the terms, conditions, and limitations of each benefit program.

PART-TIME employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than 30 hours per week. Part-time employees are not eligible for Company benefits except as required by law.

PROBATIONARY employees are those whose performance is being evaluated to determine whether further employment with Zoomin Groomin in general is appropriate.

TEMPORARY employees are those who are hired on an interim basis to temporarily supplement the workforce during times of increased customer demands or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of Zoomin Groomin's other benefit programs. This category does not apply to temporary employees utilized by Zoomin Groomin who are employed by a third-party employment agency.

INDEPENDENT CONTRACTOR (including employment agency-provided temporaries) is a person engaged by Zoomin Groomin to perform services for Zoomin Groomin on a commission or fee basis but is not considered to be an employee of Zoomin Groomin and is not eligible for Company benefits.

# 3.1 Current Position and Level of Experience Required.

**Boutique Sales** – Requirements – customer service experience. No grooming experience necessary, but must have customer service experience. Some retail experience and animal handling skills are a plus but not required.

**Apprentice Groomer** – Requirements – Same as Boutique Sales. Must be proficient in using all Pet Grooming and Drying equipment, as well as trimming nails and cleaning ears.

**Intermediate Groomer** – Requirement – all of the above. Has gained enough training in pet styling and the skills involved to be allowed to groom with minimal supervision. May be allowed to perform easier grooms or grooms that have been approved by the manager at Zoomin Groomin Van.

**ZG Certified Groomer** – Fully approved to groom all breeds for Zoomin Groomin.

## 3.2 Probationary Period

The Probationary Period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Zoomin Groomin uses this period to evaluate employee capabilities, work habits, and overall performance.

All new and rehired employees work on an introductory basis for the first 90 calendar days after their date of hire. Any significant absence will automatically extend an introductory period by the length of the absence. If Zoomin Groomin determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may or may not be extended at the sole discretion of Zoomin Groomin.

Upon satisfactory completion of the Probationary Period, employees enter the "regular" employment classification.

During the Probationary Period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. They are not eligible for other Company-provided benefits. Employees should read the information for each specific benefits program for the details on eligibility requirements.

# 3.3 Levels of Disciplinary Actions

**Zoomin Groomin** appreciates the steady and conscientious efforts of everyone at **Zoomin Groomin** and strives to provide steady and continuous employment under the best possible conditions. One of the ways this is accomplished is by the fair and equitable treatment of everyone under a set of reasonable Work Rules designed to ensure workplace stability and consistency.

The Work Rules are divided into two types: Category I and Category II rules.

**Category I** rules are so serious in nature that engaging in such conduct is grounds for immediate termination of employment.

Category II rules are equally important, but the remedy for infractions of Category II Work Rules will normally be taken on a progressive basis. Typical progressive disciplinary action starts with a verbal warning, followed by a written warning, followed by a disciplinary suspension and, finally, discharge. Zoomin Groomin reserves the right, however, to take more serious disciplinary action, up to and including termination of employment for any Category I or II offense depending upon the nature and seriousness of the conduct.

These Work Rules are not all-inclusive. Zoomin Groomin may, at its sole prerogative, take disciplinary action for misconduct that is not specifically listed here, if it is proper and correct to do so to maintain an orderly workplace. None of these Work Rules limits the right of Zoomin Groomin to take any action it deems appropriate under the "employment at will" doctrine.

# **Category I**

Violations of Category I Work Rules are grounds for immediate termination of employment.

• Insubordination or the refusal or failure to perform assigned work, or any willful disobedience of reasonable instructions issued by a supervisor or any other management representative of Zoomin Groomin.

- Falsifying any employment record, including employment application, personnel records, medical records, production and/or quality records, or requests for leave of absence.
- Fighting, threatening and/or attempting to or willfully causing bodily injury to anyone, at any time, while at work.
- Leaving Company premises or work site during scheduled work hours, exclusive of meal breaks, without the permission of supervision.
- Deliberately abusing, destroying, damaging, or defacing Company property, tools, equipment, or any property of others.
- Willfully delaying or restricting work or inciting others to delay or restrict production.
- Unauthorized removal of any safety devices or failure to use appropriate safety devices or safety equipment provided by Zoomin Groomin.
- Possession of, use of, sale and/or distribution of, reporting to work under the influence of, or being under the influence of intoxicating alcoholic beverages, liquor, narcotics, marijuana, or any and all other mind-altering drugs or controlled substances on Company premises or work sites at any time. Legal drugs prescribed by a licensed physician to that employee are allowed, as long as the drugs do not affect the person in such a way as to make them a danger to themselves or others in the workplace. Employees who are taking such prescribed medications with these possible side effects must report as such to their supervisor to determine job-related consequences and reassignment where appropriate.
- Possessing any firearms, explosives, knives (except for pocket knives with a blade of less than three inches used for work purposes), or any and all other weapons at any time while on Company premises or work sites.
- Conviction of or pleading guilty to a felony.
- Failing to report for work following the expiration of any vacation or leave of absence period or when called back after a layoff when notified by certified mail.
- Duplication, distribution, and/or any and all disclosure of any confidential Company information to unauthorized persons.
- Theft or possession without authority of any Company, customer, resident, or fellow employees' property or funds at any time for any reason.

- Any violation of Zoomin Groomin moral standards, including sexual harassment, established by law and/or is detrimental to the reputation of Zoomin Groomin in the marketplace.
- Operating any Company-owned or supplied vehicle at any time, or your own vehicle on Company premises or business while intoxicated or under the influence of alcohol or narcotics or in a reckless and/or unsafe manner or in any manner that may cause injury to or jeopardize the safety of others.
- Failure to report absences for three (3) consecutive workdays (See Job Abandonment).
- Excessive personal telephone calls which, in the sole discretion of Zoomin Groomin, interfere with the performance of a person's responsibilities.

## **Category II**

Violations of Category II Work Rules will result in progressive discipline leading up to termination of employment.

- Violation of Zoomin Groomin's attendance policy.
- Failing to notify your supervisor no later than one-half hour after the start of your regular starting time and/or failing to report each day of absence or tardiness.
- Failing to observe working schedules such as starting times, ending times, rest, and meal breaks.
- Solicitations of anyone at any time for any reason on Company premises and work sites and/or the distribution of literature of any kind not related to Zoomin Groomin business at any time for any reason.
- Unsatisfactory work performance, loafing, or other abuse of time during work hours.
- Any action that interferes with any other person's performance of their duties.
- Leaving your work area without the permission of your supervisor except for authorized rest or meal periods.
- Performing any unauthorized and/or personal work on Company time.
- Minor violations of safety rules and regulations.

# 3.4 Duration of Warnings for Work Rules Violations

The purpose of disciplinary action is not to punish a person, but rather to make them aware of the violation of the Work Rules and to discourage violations in the future.

Warnings, whether verbal or written, remain in effect for one year following the date of issue. Multiple warnings, even if they are for violations of different work rules, are cumulative and may result in suspension or termination of employment. A person's employment may be terminated if they receive any combination of three (3) suspensions or written warnings in any 12-month period.

## 3.5 Employment Termination

The end of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated: Resignation, Abandonment, Discharge, Layoff, and Retirement.

- **Resignation**: Voluntary employment termination initiated by an employee.
- **Abandonment**: Voluntary termination occurs when an employee fails to appear for work or to call their supervisor-manager to inform them of their absence for three consecutive workdays.
- **Discharge**: Involuntary employment termination initiated by the Company, with or without cause.
- **Layoff**: Involuntary employment termination initiated by Zoomin Groomin for non-disciplinary reasons, primarily due to a lack of work to be performed.
- **Retirement**: Voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from Zoomin Groomin.

Since employment with Zoomin Groomin is "at will" and based on mutual consent, both the employee and Zoomin Groomin have the right to terminate employment at will, with or without cause, at any time, for any reason. Employees will receive their final pay in accordance with applicable state law.

At the time of termination, employees are required to return any keys, tools, equipment, uniforms, and/or any other items of any kind in their possession that are the property of [franchisee business name]. Where permitted by law, Zoomin Groomin may withhold from the employee's final paycheck the cost of any items that are not returned when required.

When a person's employment ends for any reason, some benefits may be continued at the employee's expense for a period of time if the employee so chooses. The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

#### 4.Work Rules

## 4.1 Attendance and Punctuality

All employees are expected to be at work on time every day they are assigned to work. This policy applies equally to employees working at a specific client location.

In the event that you are not able to report for work as scheduled, you are expected to call your supervisor as soon as possible to inform them of your absence. Continual absenteeism, tardiness, or leaving work early will result in disciplinary action, up to and including termination of employment.

#### **4.2** Work Week and Work Schedules

Zoomin Groomin will advise employees of their individual work schedules. The standard work hours for employees depend on the schedule for that work location.

The workweek for payroll purposes is measured from 12:00 AM Sunday to 11:59 PM Saturday. Schedules for part-time employees will be set by Zoomin Groomin according to staffing needs and operational demands. It is Zoomin Groomin's intention to provide a full day's work and a full week's work. However, Zoomin Groomin cannot guarantee the number of hours per day, per week, or per year that an employee will work.

No hourly employee is permitted to begin work prior to their scheduled starting time or to work beyond their scheduled ending time without the authorization of their supervisor or an appropriate management staff member. Hourly employees will generally not be permitted to work through their rest or meal break periods to enable them to start work later than scheduled or to leave work earlier than their scheduled ending time.

#### 4.3 Break Periods

All hourly employees of Zoomin Groomin are granted a 15-minute break period for each 4 hours worked. All breaks are scheduled according to operational needs. If you have any questions about the break schedule that applies to you, please see your supervisor.

There is no requirement for these breaks to be paid.

# 4.4 Personal Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image that Zoomin Groomin presents to customers and visitors. During business hours or when representing Zoomin Groomin, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true if your job involves dealing with customers or visitors in person. If you receive a Company-supplied uniform, you are required to wear the uniform in a neat and clean manner during work hours.

Without unduly restricting individual tastes, the following personal appearance guidelines should be followed:

- Shoes must provide safe, secure footing and offer protection against hazards.
- Offensive body odor and poor personal hygiene are not acceptable.
- Perfume, cologne, and after-shave lotion should be used moderately or avoided altogether, as some individuals may be sensitive to strong fragrances.
- Jewelry should not be functionally restrictive, dangerous to job performance, or excessive.

If it is determined that a person is in violation of this policy, they will be instructed to leave the workplace and to return only after the situation has been remedied.

# 4.5 Workplace Safety and Proper Housekeeping

It is the responsibility of everyone at Zoomin Groomin to do their best to foster a safe and healthful work environment for employees, customers, and visitors at all times. All required safety equipment must be worn in areas where necessary.

Each employee is expected to obey safety rules, use common sense, and exercise caution in all work activities. Employees must immediately report any unsafe conditions to [franchisee business name]. Employees who violate safety standards

or cause hazardous and dangerous situations may be subject to disciplinary action, up to and including termination of employment.

Employees are required to report to their supervisor immediately in the event of any accidents resulting in injury to a person or damage to machinery or equipment, regardless of how minor.

It is also the responsibility of everyone at Zoomin Groomin to maintain proper housekeeping in the workplace. This includes, but is not limited to, proper trash disposal, keeping work areas neat and clean, and ensuring the appropriate use and cleanliness of the Zoomin Groomin salon.

## 4.6 Proper Use of Equipment

Zoomin Groomin utilizes a wide variety of equipment. The proper use and care of all equipment are the responsibilities of every employee of Zoomin Groomin. Proper use includes, but is not limited to, setting up, maintaining, and operating all equipment in the manner and for the purpose it was designed for.

Improper use of equipment or removal of equipment in a manner for which it was not intended will result in disciplinary action, up to and including termination of employment.

# 4.7 Computer, E-Mail and Telephone Use

Computers/ Ipads, telephones (including cell phones), and software furnished to employees are Company property intended for business use only. Employees should not use a password, access a file, or retrieve any stored communication without authorization. To ensure compliance with this policy, computer, telephone, and email usage may be monitored.

Zoomin Groomin strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, Zoomin Groomin prohibits the use of computers and the email system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as showing disrespect for others.

Email may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. Zoomin Groomin prohibits the illegal duplication of software and its related documentation.

Employees should notify their manager-supervisor upon learning of any violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

NOTE: Please remember that each employee has signed a contract for "acceptable use." Please review this policy for more details.

# 4.8 Internet Usage

Internet access to global electronic information resources on the World Wide Web is provided by [franchisee business name] to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. All Internet usage is limited to job-related activities. Personal use of the Internet is not permitted.

All Internet data that is composed, transmitted, or received via our computer communication systems is considered part of the official records of Zoomin Groomin and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain the property of Zoomin Groomin at all times. As such, Zoomin Groomin reserves the right to monitor Internet traffic and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone based on race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not obtained authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

To ensure a virus-free environment, no files may be downloaded from the Internet without prior authorization.

Abuse of the Internet access provided by Zoomin Groomin in violation of the law or Company policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy.

#### 4.9 Bulletin Boards

Zoomin Groomin may maintain bulletin boards to keep employees informed of information related to Zoomin Groomin operations, personnel policies, announcements, job bids, etc. Information posted by Zoomin Groomin on bulletin boards will be displayed for a reasonable period of time. It is the responsibility of each employee to review bulletin boards regularly to stay informed of such information.

Zoomin Groomin is not responsible for accommodating employees who fail to be aware of information (particularly changes in work rules and the announcement of upcoming events) because the employee did not read the bulletin board. Bulletin boards are provided to communicate Company information. All other uses of bulletin boards are unauthorized and prohibited.

#### 4.10 Solicitations and Distribution of Literature

To ensure the well-being of everyone at Zoomin Groomin and to prevent annoyance, unnecessary expenses, disruption of work, and potential safety hazards, the solicitation of employees or other individuals on Company premises for any reason, as well as the distribution of literature of any kind, is strictly prohibited during work hours.

# **4.11** Weather Emergencies or other Disruptions to Operations

Zoomin Groomin follows a consistent practice of remaining open during its regularly scheduled hours of operation regardless of the weather conditions. Employees are expected to exert reasonable and safe efforts to attend work as required.

If inclement weather occurs while the workday is ongoing, employees might be given the choice to leave work early if they wish to do so. However, such early departure is voluntary. If an Hourly paid employee opts to depart early, the departure will be considered "excused," but compensation will only be provided until the time of departure.

Occasionally, circumstances beyond Zoomin Groomin's control (such as electrical power failures or flooding) might disrupt business operations. In such situations, employees may or may not be paid for time away from work, based solely on Zoomin Groomin's discretion.

Considering the nature of our business, it may be essential to offer emergency services to our clients. If an employee cannot safely reach the workplace during these instances, they must take all possible steps to communicate with their supervisor.

# **4.12 Personal Telephone Calls**

While we understand that situations may arise occasionally necessitating the use of a telephone for personal reasons during business hours, the use of telephones (including personally or company-owned cell phones) to make personal calls during working hours is prohibited, except in cases of emergencies.

Engaging in an excessive number of personal telephone calls or spending an excessive amount of time on such calls during working hours will result in disciplinary action, including potential termination of employment. Whenever possible, personal telephone calls should be made or received during break or lunch periods.

Employees are encouraged to discourage friends and family from making incoming personal calls except in cases of emergencies.

Personal long-distance calls are not permitted, as they incur additional costs for Zoomin Groomin. Any employee found making long-distance, toll, or other

expense-incurred calls on behalf of Zoomin Groomin will be required to reimburse the company for the call's cost and may face disciplinary action.

Employees using Company-provided cell phones for personal use resulting in additional toll charges or minute overages will be responsible for covering those additional costs.

# **4.13 Smoking Policy**

Under no circumstances will smoking be permitted inside any of our Zoomin Groomin vans, clients' driveways, or clients' homes. Smoking in non-designated areas is grounds for disciplinary action.

## 4.14 Drug and Alcohol Policy

It is the specific and stated policy of Zoomin Groomin to provide a drug and alcohol-free workplace to enhance the health and safety of its employees. To ensure that the workplace is drug and alcohol-free, the following is the policy of Zoomin Groomin:

- 1. The possession of, use of, sale and/or distribution of, reporting to work under the influence of, or being under the influence while at work of intoxicating alcoholic beverages, liquor, narcotics, marijuana, or any other mind-altering drugs or controlled substances on Company premises, or company clients' premises when operating Company vehicles or when on Company business while not on Company premises at any time is specifically prohibited and will not be tolerated. (In this policy, the term "drugs" will be used to include all substances noted in this section).
- 2. Legal drugs prescribed by a licensed physician to that employee are allowed, as long as the drugs do not affect the person in such a way as to make them a danger to themselves or others. Employees who are taking such prescribed medications must report such use to their supervisor to determine job-related consequences and reassignment where appropriate.

Any employee found to be in violation of items 1 or 2 noted above may be subject to immediate termination.

Any employee with a drug addiction or alcohol dependency should report such to Zoomin Groomin for assistance in receiving appropriate care. Requesting assistance does NOT, however, allow the person to use drugs and/or alcohol, as noted in items 1 and/or 2 above during employment at any time. Being under the influence of drugs and/or alcohol at any time on Company property is strictly prohibited.

For purposes of this policy, the term "under the influence of drugs or alcohol" means any presence of drugs or alcohol in the employee's system, regardless of the percentage amount, as determined by a breathalyzer test, urinalysis, or other appropriate means of testing for the presence of drugs or alcohol in a person's system.

Testing for the presence of drugs or alcohol: Zoomin Groomin reserves the right to test an employee at any time and potentially undergo a test to detect the presence of drugs or alcohol, at Zoomin Groomin's expense, under the following circumstances:

- As a condition for employment by Zoomin Groomin at the time of Application for Employment for the potential new hire. Employment with Zoomin Groomin is contingent upon a negative test result.
- When Zoomin Groomin has a reasonable reason to suspect that a person is under the influence of drugs or alcohol, due to the observation of the employee's behavior, odor of alcohol on the person, eyewitness report of drug or alcohol use by an individual, and/or any other indication of impaired behavior obvious to a reasonable person.
- When the employee is involved in an industrial accident that results in bodily injury to themselves or others requiring outside medical care for anyone involved. Any employee involved in the accident is subject to drug and alcohol testing even if they themselves were not injured in the accident.
- When an employee is involved in a vehicular accident (no matter how minor and regardless of the fact that no one may have been injured) involving a Company vehicle or in a non-Company vehicle while on Company business.

 As a condition of continued employment for an employee who has been found to be in violation of this policy and has agreed to submit to periodic testing as a condition of continued employment under Zoomin Groomin's disciplinary system.

Refusal by an individual to submit to drug and alcohol testing when required to do so as noted above will be considered an admission of guilt, and the employee shall be subject to immediate termination of employment.

Zoomin Groomin's Right to Search: Zoomin Groomin retains the right to search, at any time for any reason, any vehicle on its premises, locker, desk, file cabinet, toolbox, or any and all other property on its premises whether owned, rented, leased, or borrowed by Zoomin Groomin or otherwise made available by Zoomin Groomin for use by an employee or owned and/or utilized by an employee. Refusal by an employee to allow such a search is considered to be an admission of guilt, and the employee shall be subject to immediate termination of employment.

# **4.15 Changes in Personal Information**

Zoomin Groomin is required to keep accurate records related to its employees. Each employee is responsible for notifying Zoomin Groomin of any personal changes that may affect their personnel records.

Examples of such information include, but are not limited to:

- Change of name, address, or telephone number
- Persons to be notified in the event of an emergency
- Any allergic or medical conditions or the use of any medications that may affect the health and safety of the employee or those working around them
- Changes in marital status
- Changes in the number of dependents
- Changes in insurance beneficiaries

Keeping accurate and up-to-date records is essential for maintaining effective communication and ensuring that appropriate information is available for emergencies, benefits administration, and other essential matters. Please promptly notify the appropriate personnel at Zoomin Groomin whenever any of the mentioned changes occur.

## 4.16 Sexual Harassment and Abusive Behavior Policy

Respect for the individual dignity of everyone at Zoomin Groomin is of utmost importance. Zoomin Groomin is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment and/or abusive behavior. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, sexual orientation, or any other legally protected characteristic will not be tolerated.

Sexual harassment is defined as unwanted sexual advances and/or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same or opposite sex as the harasser. The following is a partial list of inappropriate sexual behavior:

- Unwanted sexual advances.
- Offering employment or employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct that includes leering, making sexual gestures, or displaying sexually suggestive objects or pictures, cartoons, or posters.
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or propositions or any inquiries or comments related to an individual's sexual preferences.
- Any inquiries into an employee's sexual experiences or discussion or description of your own sexual activities or experiences.

- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, impeding, and/or blocking movements.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to Zoomin Groomin. You can raise concerns and make reports without fear of reprisal or retaliation. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

Abusive behavior means any physical, verbal, or written occurrence that, by its nature, is deemed to be threatening or abusive. This includes, but is not limited to:

- The use of or threat of the use of physical violence or any other forms of verbal or physical violence or abuse.
- The use of racial, ethnic, or sexual references and/or slurs.
- The use of profanity, particularly when it is intended to demean or insult a person.
- Intentionally damaging or threatening to damage Company property or the property of a co-worker.
- The use of unwelcome, demeaning, and/or abusive nicknames.

Anyone engaging in any form of abusive behavior will be subject to disciplinary action, up to and including termination of employment.

Retaliation of any kind against any individual who has complained about violations of this policy and/or retaliation of any kind against individuals for cooperating with an investigation of a violation of this policy is unlawful, will not be tolerated, and will be subject to disciplinary action, up to and including termination of employment. In fact, any retaliation taken against anyone involved in a complaint or in the investigation of a complaint is as, or more, serious than the original alleged violation. Retaliation itself may result in disciplinary action, up to and including termination of employment, even if the original complaint leading to the retaliation is found to be groundless.

Complaint and Investigation: All allegations of sexual harassment will be quickly and investigated by Zoomin Groomin or by outside agents if appropriate. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. However, due to the nature of the investigation and the number of people involved, complete confidentiality cannot be guaranteed. When the investigation is completed, you will be informed of the outcome of the investigation, and appropriate disciplinary actions, if necessary, will be taken.

Nothing in this policy restricts your right to file a formal complaint with Zoomin Groomin or the United States Equal Employment Opportunity Commission if you choose to do so.

For assistance and contact information regarding the United States Equal Employment Opportunity Commission Local Office and the (*Enter Your State*) Commission Against Discrimination, please refer to the provided details.

The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images.
- Using the organization's time and resources for personal gain.
- Stealing, using, or disclosing someone else's code or password without authorization.

- Copying, pirating, or downloading software and electronic files without permission.
- Sending or posting confidential material, trade secrets, or proprietary information outside of the organization.
- Violating copyright law.
- Failing to observe licensing agreements.
- Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted Internet services and transmissions.
- Sending or posting messages or material that could damage the organization's image or reputation.
- Participating in the viewing or exchange of pornography or obscene materials.
- Sending or posting messages that defame or slander other individuals.
- Attempting to break into the computer system of another organization or person.
- Refusing to cooperate with a security investigation.
- Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities.
- Using the Internet for political causes or activities, religious activities, or any sort of gambling.
- Jeopardizing the security of Zoomin Groomin electronic communications systems.
- Sending or posting messages that disparage another organization's products or services.
- Passing off personal views as representing those of the organization.
- Sending anonymous e-mail messages.
- Engaging in any and all other illegal activities.

NOTE: Please remember that each employee has signed a contract for "acceptable use." Please review this policy for more details.

## 4.17 Timekeeping

Accurately recording time worked is the responsibility of everyone at Zoomin Groomin. Federal and state laws require Zoomin Groomin to maintain precise records of time worked to calculate employee pay and benefits. Time worked encompasses all the time spent on the job performing assigned duties.

Hourly employees are required to precisely document the time they start and end their work, along with the beginning and ending times of each meal period. They should also note the starting and ending times of any split shift or early departure from work.

Overtime work must always be pre-approved before it is undertaken. Unauthorized overtime may result in disciplinary action.

Any form of altering, falsifying, or tampering with time records, including recording on another employee's timesheet or having someone else modify your timesheet, will lead to disciplinary action, up to and including termination of employment.

# **4.18 Pay Day**

All employees are paid on a weekly or bi-weekly basis (depending on your location), with paychecks issued every Friday. Each paycheck covers the earnings for all work performed up to the end of the previous payroll period. It's important for you to carefully review your paycheck upon receipt and promptly report any discrepancies or errors to Zoomin Groomin.

If a regular payday falls on a day when you have a scheduled day off, such as a holiday, your pay will be provided on the last workday prior to the scheduled payday. This ensures that you receive your compensation in a timely manner.

# **4.19 Overtime (If Applicable)**

At Zoomin Groomin, the policy is to refrain from scheduling overtime for any employee. Any instance of overtime work must receive prior approval from management before it can be carried out.

For Hourly employees, overtime pay is applicable when the number of hours worked exceeds 40 hours within the same work week, as defined in the policies. All Hourly employees are eligible for overtime pay as per relevant federal and state regulations. Overtime compensation is calculated at a rate of one and a half times the employee's regular base pay rate.

Opportunities for overtime work will be made available to employees on a voluntary basis. It's important to note that any approved paid time off, such as vacation, holidays, or other forms of paid leave, will not be included as hours worked for the purpose of calculating overtime pay.

## **4.20** Paid Time Off for Hourly Employees (If Applicable)

Zoomin Groomin operates under a Paid Time Off (PTO) policy to offer employees greater flexibility in utilizing earned time off. The PTO approach combines traditional vacation and sick leave benefits into a single PTO balance that employees can use according to their preference.

Upon the successful completion of the probationary period, new employees become eligible for benefits and PTO. The accrual process for PTO begins on the first day of employment, while the ability to use accrued vacation starts either on January 1 of the following calendar year or after one year of employment has been completed.

Earning PTO is structured as follows for Full-Time Employees:

• After one year of employment: 72 hours PTO, accruing at the rate of .0346 hours per hour worked.

- After two years of employment: 112 hours PTO, accruing at the rate of .0538 hours per hour worked.
- After five years of employment: 152 hours PTO, accruing at the rate of .0731 hours per hour worked.

The PTO year aligns with the calendar year, running from January 1 to December 31. When using PTO, the minimum amount is 4 hours for Non-Exempt employees and 1.12 days for Exempt employees. It's important to note that PTO usage is not considered as hours worked for overtime calculation purposes.

Employees are required to obtain prior approval for using PTO, and approvals are granted on a "first come, first served" basis. To ensure availability, it's recommended to request PTO approval as early as possible. If you're unable to work due to circumstances like illness, you should notify the Company at least one hour before your scheduled work start time for PTO to be approved.

## Payment in lieu of Time Off:

- Employees are encouraged to use at least one week (40 hours or S Days) of PTO during the Company Calendar Year after completing the probationary period or their first year of employment.
- Unused PTO cannot be carried over from one year to the next.
- Any excess PTO in an employee's balance as of December 31 will be paid out to the employee in lieu of time off.

# Payment at Time of Termination:

• Earned but unused PTO will be compensated at the time of employment termination.

# **<u>5.</u>** State And Federal Requirements, Benefits and Employee Rights

#### 5.1 Leave of Absence

At Zoomin Groomin, we understand that there are various situations in life that may require our employees to take a leave of absence. We offer six types of leave to support our employees during these times:

**Medical Leave:** Employees may apply for a Medical Leave of Absence for health-related reasons. Approval of such leave is determined on a case-bycase basis at the sole discretion of Zoomin Groomin. While we may grant such leave, we do not guarantee reinstatement to the same or any position after the leave period. The full cost of insurance benefits during the leave period, if granted, is the responsibility of the employee. Failure to return to work after an approved medical leave may result in voluntary resignation. Maternity Leave: Female employees are entitled to eight weeks of unpaid Maternity Leave under the law for giving birth or adopting a child. **Personal Leave of Absence:** Personal leaves are granted on a case-by-case basis, considering factors like work performance, length of service, attendance, and the reason for the request. While personal leaves may be granted at the discretion of Zoomin Groomin, there is no guarantee of reinstatement to the same position at the end of the leave period. The full cost of insurance benefits during the leave period, if granted, is the responsibility of the employee. Failure to return to work after an approved

**Military Leave:** We support employees who need to leave for military service. Continuous service with Zoomin Groomin will not be interrupted for employees serving in the armed forces, provided they return within 90 days after demobilization. Reinstatement is without loss of seniority or benefits, and employees will be compensated at the rate of pay received before military duty began. Proof of duty and discharge is required, and failure to return within 90 days may result in voluntary resignation.

personal leave may result in voluntary resignation.

**Jury Duty Leave:** We encourage employees to serve jury duty and comply with regulations.

**Bereavement Leave:** Additional time off may be available for family matters related to the death.

We aim to support our employees during these times and provide the necessary flexibility to handle personal situations.

#### 5.2 Access to Personnel Records

At Zoomin Groomin, we take the confidentiality of our employees' information seriously. The information contained in individual personnel files is the property of Zoomin Groomin and is considered confidential. Access to these files is limited to Company officials who have a legitimate business reason to review the information.

As an employee, you have the right to review the contents of your personnel file. Additionally, you are entitled to receive a copy of any document that is present in your personnel file. If you wish to obtain copies of documents from your personnel file, you can make a written request, and we will provide them to you within a reasonable timeframe.

It's important to note that personnel files can only be reviewed in Company offices and in the presence of a Company representative. We uphold these measures to ensure the security and privacy of your personal information. Your right to access your personnel file and receive copies of documents underscores our commitment to transparency and respecting your rights as an employee.

# **5.3 HIPAA** Compliance (Health Insurance Portability and Accountability Act)

At Zoomin Groomin, we prioritize the confidentiality of each employee's personal medical information. We are committed to maintaining this confidentiality at all times. Any medical information pertaining to an employee is considered strictly confidential and will only be disclosed when absolutely necessary, such as for purposes related to Worker's Compensation, Health Insurance, and other legitimate reasons. Our practices align with the provisions outlined in the Health Insurance Portability and Accountability Act (HIPAA).

All medical information is stored in confidential files, and access to these files is strictly limited to management staff members who have a legitimate need to access such information. We take measures to ensure that only authorized personnel can access this sensitive information.

If you have any questions or concerns about the confidentiality of your medical records or any related matters, we encourage you to reach out to Zoomin Groomin. We're here to address your inquiries and provide you with the necessary information to help you feel secure about the privacy of your medical information.

## **5.4 Employee Loans**

Zoomin Groomin retains the right, at its sole discretion, to provide loans or pay advances to its employees when deemed appropriate.

If an employee's employment with Zoomin Groomin comes to an end before they have fully repaid the loan or advance, Zoomin Groomin reserves the right to recover the outstanding balance owed from any final wages that are due to the employee.

Please note that the specifics of loan or pay advance arrangements, including terms, repayment conditions, and other relevant details, will be communicated directly to the employees involved.

#### 5.5 Gifts and Gratuities

Employees may occasionally be offered gifts or gratuities from individuals or entities such as customers, suppliers, vendors, subcontractors, or others with business relations with Zoomin Groomin. It is acceptable for employees to accept gifts or promotional items of nominal value, such as pens with company logos, t-shirts, baseball caps, calendars, etc.

However, it is expressly prohibited for employees to accept gifts, money, or other items of significant value. This prohibition is in place to prevent the appearance or

possibility of favoritism or special treatment being granted to the giver of the gift. If an employee is offered a gift of significant value, they are required to promptly report the offer to the (*franchisee business name*) President.

In the normal course of business, occasional lunches or dinners provided by customers, vendors, or suppliers are considered acceptable.

It's important to always remember that the collective success of both the employee and Zoomin Groomin hinges on ensuring the complete satisfaction of customers. Upholding the highest standards of integrity, quality workmanship, customer service, and personal behavior at all times is crucial to maintaining this success.

## 5.6 Expenses and Credit Card Usage

To ensure proper handling of expenses and timely reimbursements for employees, Zoomin Groomin has established the following procedures:

**Approval of Expenses:** All expenses incurred on behalf of Zoomin Groomin must be approved in advance, except for routine expenses. This ensures that expenses are necessary and within the scope of legitimate business purposes.

**Documentation and Receipts:** Proper documentation of all expenses is required. This includes maintaining receipts for each expense. This documentation helps ensure transparency and accuracy in the reimbursement process.

**Prior Consent:** Reimbursements will only be made for expenses that have received prior consent from Zoomin Groomin. This ensures that expenses align with the company's business objectives.

Company Credit Cards and Accounts: In some cases, Zoomin Groomin may provide employees with company credit cards or accounts for business-related expenses. However, these resources are to be used strictly for legitimate business purposes. Any personal or unauthorized use of company credit cards or accounts is prohibited and may lead to disciplinary action, including termination of employment. Unauthorized charges may also be subject to legal action for recovery.

The purpose of these procedures is to maintain transparency, control costs, and ensure that expenses incurred on behalf of Zoomin Groomin are reasonable, necessary, and aligned with the company's goals.

### 6. Employee Manual Acknowledgement Form

I, [Employee Name], have received a copy of the Zoomin Groomin Employee Manual. I understand that it is my responsibility to read and familiarize myself with the contents of the manual. I acknowledge that I have been provided access to the policies, guidelines, and procedures outlined in the manual, and I am aware of the importance of adhering to these policies.

I understand that the information contained in the Employee Manual is subject to change, and it is my responsibility to stay informed about any updates or modifications to the policies. I agree to comply with all the policies and procedures outlined in the Employee Manual and understand that failure to do so may result in disciplinary action, up to and including termination of employment.

I am aware that I can approach my supervisor or the appropriate department for any clarification or questions regarding the policies in the Employee Manual. By signing below, I acknowledge that I have read, understood, and will abide by the policies and procedures outlined in the Zoomin Groomin Employee Manual.

| Employee Signature:     |   |
|-------------------------|---|
| Date:                   | - |
|                         |   |
| Supervisor's Signature: |   |