



Alaska Fulfillment Services LLC

Employee Handbook

August 13, 2020

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Core Policies

1.0 Welcome

1.1 A Welcome Policy

Welcome! You may find your days at Alaska Fulfillment Services LLC a little easier if you know what you can expect of us and what in turn, is expected of you.

The Company complies with all federal and state employment laws, and this handbook generally reflects those laws. The Company also complies with any applicable local laws, although there may not be an express written policy regarding those laws contained in the handbook.

The employment policies and/or benefits summaries in this handbook are written for all employees. The purpose of this handbook is to provide you with a summary of the personnel policies/practices and programs currently in effect at Alaska Fulfillment Services LLC. All employees are expected to follow the guidelines presented in this handbook.

Please take the time now to read this handbook carefully. Sign the acknowledgment at the end to show that you have read, understood, and agree to the contents of this handbook, which sets out the basic rules and guidelines concerning your employment. This handbook supersedes any previously issued handbooks or policy statements dealing with the subjects discussed herein. The Company reserves the right to interpret, modify, or supplement the provisions of this handbook at any time. Neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. Please understand that no employee handbook can address every situation in the work place.

If you have questions about your employment or any provisions in this handbook, contact Human Resources.

We wish you success in your employment here at Alaska Fulfillment Services LLC!

1.2 At-Will Employment

Your employment with Alaska Fulfillment Services LLC is on an "at-will" basis. This means your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to leave the Company at any time, with or without notice and with or without cause.

Nothing in this handbook or any other Company document should be understood as creating a contract, guaranteed or continued employment, a right to termination only "for cause," or any other guarantee of continued benefits or employment. Only the CEO has the authority to make promises or negotiate with regard to guaranteed or continued employment, and any such promises are only effective if placed in writing and signed by the CEO.

If a written contract between you and the Company is inconsistent with this handbook, the written contract is controlling.

Nothing in this handbook will be interpreted, applied, or enforced to interfere with, restrain, or coerce employees in the exercise of their rights under Section 7 of the National Labor Relations Act.

2.0 Introductory Language and Policies

2.1 Ethics Code

Alaska Fulfillment Services LLC will conduct business honestly and ethically wherever operations are maintained. We strive to improve the quality of our services, products, and operations and will maintain a reputation for honesty, fairness, respect, responsibility, integrity, trust, and sound business judgment. Our managers and employees are expected to adhere to high standards of business and personal integrity as a representation of our business practices, at all times consistent with their duty of loyalty to the Company.

We expect that officers, directors, and employees will not knowingly misrepresent the Company and will not speak on behalf of the Company unless specifically authorized. The confidentiality of trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) about the Company or operations, or that of our customers or partners, is to be treated with discretion and only disseminated on a need-to-know basis (see policies relating to privacy).

Violation of the Code of Ethics can result in discipline, up to and including termination of employment. The degree of discipline imposed may be influenced by the existence of voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

2.2 Revisions to Handbook

This handbook is our attempt to keep you informed of the terms and conditions of your employment, including Alaska Fulfillment Services LLC policies and procedures. The handbook is not a contract. The Company reserves the right to revise, add, or delete from this handbook as we determine to be in our best interest, except the policy concerning at-will employment. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.

3.0 Hiring and Orientation Policies

3.1 Job Descriptions

Alaska Fulfillment Services LLC attempts to maintain a job description for each position. If you do not have a current copy of your job description, you should request one from your Supervisor.

Job descriptions prepared by the Company serve as an outline only. Due to business needs, you may be required to perform job duties that are not within your written job description. Furthermore, the Company may have to revise, add to, or delete from your job duties per business needs. On occasion, the Company may need to revise job descriptions with or without advance notice to employees.

If you have any questions regarding your job description or the scope of your duties, please speak with your Supervisor.

3.2 New Hires and Introductory Periods

The first 90 days of your employment, whether initial hiring or re-hire, is considered a probationary period. During this period, you will become familiar with Alaska Fulfillment Services LLC and your job responsibilities, and we will have the opportunity to monitor the quality and value of your performance and make any necessary adjustments in your job description or responsibilities. Your probationary period with the Company can be shortened or lengthened as deemed appropriate by management and Human Resources. Completion of this probationary period does not imply guaranteed or continued employment. Nothing that occurs during or after this period should be construed to change the nature of the "at-will" employment relationship.

3.3 Training Program

In most cases, and for most departments, training employees is done on an individual basis by the department manager. Even if you have had previous experience in the specified functions of your job duties, it is necessary for you to learn our specific procedures, as well as the responsibilities of the specific position. If you ever feel you require additional training, consult your Supervisor.

3.4 Employment Authorization Verification

New hires will be required to complete Section 1 of federal Form I-9 on the first day of paid employment and must present acceptable documents authorized by the U.S. Citizenship and Immigration Services proving identity and employment authorization no later than the third business day following the start of employment with Alaska Fulfillment Services LLC. If you are currently employed and have not complied with this requirement or if your status has changed, inform your Supervisor.

If you are authorized to work in this country for a limited period of time, you will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by the Company.

4.0 Wage and Hour Policies

4.1 Attendance Policy

If you know ahead of time that you will be absent or late, provide reasonable advance notice to your Supervisor. You may be required to provide documentation of any medical or other excuse for being absent or late where permitted by applicable law.

Alaska Fulfillment Services LLC reserves the right to apply unused vacation, sick time, or other paid time off to unauthorized absences where permitted by applicable law. Absences resulting from approved leave, vacation, or legal requirements are exceptions to the policy.

Attendance Policy- Absence from work.

You are expected to be on the job, ready to work, when scheduled.

If you know ahead of time that you are going to be absent from work on a day you are scheduled, first try to find out if a coworker who is scheduled off will cover or switch days with you, if so fill out a schedule switch form. If a co worker cannot be found who is willing to switch, fill out and submit a Day off request form. Both forms require manager approval.

If an emergency arises on short notice and you cannot make it in, call/text your Manager(s) as soon as you know, Before your scheduled shift. Failure to notify ahead of time, in a non-emergency, may result in disciplinary action up to and including termination. You may be required to provide documentation of any medical or other excuse for being absent or late where permitted by applicable law. For new Hire or re-hire employees still in probationary period, one (1) no call/no show is grounds for termination.

Attendance Policy- Late for shift If you are going to be late for your scheduled shift, notify your Manager(s) Before your scheduled start time. Failure to do so may result in disciplinary action. Repeated violations of this policy may result in disciplinary action up to and including termination.

4.2 Business Expenses Policy

The purpose of this policy is to define approved nontravel business expenses and the authority for incurring and approving such expenses at Alaska Fulfillment Services LLC.

Approved business expenses are the reasonable and necessary expenses incurred by employees to achieve legitimate business purposes that are not covered by normal Company procurement processes.

Business Meetings (Employer-Sponsored Events and Meetings)

The Company pays for expenses necessary to achieve a valid business purpose when meetings are held with customers, vendors, or other Company employees. The most senior Company individual present is to pay for and report all expenses.

The Company will make every effort to have a master account set up for Company-wide and large group events. However, if you are at a small meeting or staying by yourself at a hotel, pay individually and submit for reimbursement accordingly.

Entertainment

The Company pays for entertainment expenses only when they clearly benefit the Company and include customers and are promotional in nature. The most senior individual present is to pay for and report all expenses.

Technical and Training Seminars

The Company pays for expenses associated with attendance at classes and seminars that enhance job-related skills. Prior approval must be obtained by your Supervisor.

Gifts

You may present gifts only under exceptional circumstances and with prior approval of the appropriate Company officer. The Company does not reimburse cost over \$25 for business gifts.

Other Expenses

The Company will pay for postage and telephone expenses that are for business purposes.

Reporting

Report approved expenses on the standard expense report form and include a description of the expense, its business purpose, date, place, and the participants.

4.3 Direct Deposit

Alaska Fulfillment Services LLC encourages all employees to enroll in direct deposit. If you would like to take advantage of direct deposit, ask your Supervisor, or Human Resources Director for an application form. Typically, the bank will begin the direct deposit of your payroll within 30 calendar days after you submit your completed application.

If you have selected the direct deposit payroll service, a written explanation of your deductions will be given to you on paydays described in the preceding sections in lieu of a check.

4.4 Introduction to Wage and Hour Policies

At Alaska Fulfillment Services LLC, pay depends on a wide range of factors, including pay scale surveys, individual effort, profits, and market forces. If you have any questions about your compensation, including matters such as paid time off, commissions, overtime, benefits, or paycheck deductions, speak with your Supervisor.

4.5 Job Abandonment

If you fail to show up for work or fail to call in with an acceptable reason for the absence for a period of three consecutive days, you will be considered to have abandoned your job and voluntarily resigned from Alaska Fulfillment Services LLC.

4.6 Paycheck Deductions

Alaska Fulfillment Services LLC is required by law to make certain deductions from your pay each pay period. This includes income and unemployment taxes, Federal Insurance Contributions Act (FICA) contributions (Social Security and Medicare), and any other deductions required under law or by court order for wage garnishments. The amount of your tax deductions will depend on your earnings and the information you list on your federal Form W-4 and applicable state withholding form. You may also authorize voluntary deductions from your paycheck, including contributions for insurance premiums, retirement plans, spending accounts, or other services. Your deductions will be reflected in your wage statement.

The Company will not make deductions to your pay that are prohibited by federal, state, or local law. If you have any questions about deductions from your pay, contact your Supervisor. You will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law. If an error is found, you will receive an immediate adjustment, which will be paid no later than your next regular payday.

4.7 Posting of Work Schedules

All work schedules will be posted on the Company bulletin board located at Supervisor's desk and at the warehouse entrance, every Saturday for the following week. If, by Saturday afternoon, you are uncertain of your work schedule for the following week, please contact your supervisor.

4.8 Recording Time

Alaska Fulfillment Services LLC is required by applicable federal, state, and local laws to keep accurate records of hours worked by certain employees. To ensure that the Company has complete and accurate time records and that employees are paid for all hours worked, nonexempt employees are required to record all working time using Company punch clock. Exempt employees may also be required to track days or time worked. Speak with your Supervisor for specific instructions.

You must accurately record all of your time to ensure you are paid for all hours worked, and must follow established Company procedures for recording your hours worked. Time must be recorded as follows:

- Immediately before starting your shift.
- Immediately after finishing work, before your meal period.
- Immediately before resuming work, after your meal period.
- Immediately after finishing work.
- Immediately before and after any other time away from work.

Notify your Supervisor of any pay discrepancies, unrecorded or misrecorded work hours, or any involuntarily missed meal or break periods. Falsifying time entries is strictly prohibited. Falsifying time entries includes working "off the clock", and taking a lunch and not clocking out/in. If you falsify your own time records, or the time records of co-workers, not clocking out for lunch, or if you work off the clock, you will be subject to discipline up to and including termination. Immediately report to Human Resources any employee, supervisor, or manager who falsifies your time entries or encourages or requires you to falsify your time entries or work off the clock.

4.9 Travel Expenses

The purpose of this policy is to define approved business travel expenses and the authority for incurring and approving such expenses at Alaska Fulfillment Services LLC.

Travel expenses are the reasonable and necessary expenses incurred by employees when traveling on approved Alaska Fulfillment Services LLC business trips. Travel is limited to business activities for which other means of communication is inadequate and for which prior approval from your Supervisor has been received.

Advances

The Company does not generally provide cash travel advances. Normally, you will be expected to use personal credit cards and/or your own cash and submit approved expenses on the standard Expense Report Form. Advances can be approved by President - Kim Howard, or Chief Executive Officer - John Witte, under special circumstances.

Travel Expenses

The Company pays the actual amounts incurred for appropriate expenses when you are on travel assignments. Examples of typical expenses include the following:

- Airline tickets.
- Meals and lodging.
- Car rental, bus, taxi, parking.
- Telephone and fax.
- Laundry and dry cleaning (trips exceeding one week only, unless emergency).
- Business supplies and services.
- Associated gratuities.
- Other expenses necessary to achieve the business purposes.

Family Members

The Company will pay the travel expenses of spouses or other family members only when their presence is necessary to the business purpose of the trip and when approved in advance in writing by the President - Kim Howard, or Chief Executive Officer - John Witte.

Air Travel

Use economy or tourist class airfares when traveling on Company business. In addition, private, noncommercial aircraft or chartered aircraft is not to be used, and no more than two Company officers should travel together on the same flight.

Airfares are to be charged to personal credit cards and subsequently submitted for reimbursement on a monthly expense report.

Hotels

Neither in-room movies nor refreshment bars are approved Company expenses.

Insurance

The Company does not pay for personal travel insurance for employees.

Rental Cars

You are to use rental firms having existing relationships with the Company and, where feasible, have negotiated discount rates. Available reasonable transportation is to be used.

Personal Vehicles

When using your own vehicle for business purposes, you must maintain insurance coverage as required by law. Travel between your home and primary office is not considered to be business travel. You may not use your personal vehicle for business travel without authorization. Every attempt should be made to utilize the use of courier and delivery services in order to avoid hazard of liability and the time away from work. You will be reimbursed for vehicle use at the standard IRS mileage rate. The President - Kim Howard, or Chief Executive Officer - John Witte, must authorize any deviation from this policy.

Reporting

Report approved expenses and include a description of the expense, its business purpose, date, place, and the participants.

Travel Reservations

Airline travel, rental cars, and hotels must be booked with supervisors assistance and approved by President - Kim Howard, or Chief Executive Officer - John Witte.

4.10 Use of Employer Credit Cards

All employees in the possession of a credit card issued by Alaska Fulfillment Services LLC will adhere to the strictest guidelines of responsibility for the protection and proper use of that card. Credit card purchases related to Company vehicle use (gas, oil, etc.) under \$100 do not require prior approval. Credit card purchases for vehicle use over \$100 and any other business purchases over \$25 must receive prior approval from your Supervisor.

Submit all sales receipts generated by use of the Company credit card weekly to your Supervisor or accounting department. Your Company credit card may not be used for personal reasons. Use of the Company credit card is restricted to approved business related expenses.

Any unauthorized purchases made with a credit card issued by the Company will be the cardholder's responsibility. You must reimburse any such purchase to the Company within 30 days.

Immediately report lost or stolen Company cards to your Supervisor. Failure to follow this policy may result in disciplinary action up to and including discharge.

5.0 Performance, Discipline, Layoff, and Termination

5.1 Criminal Activity/Arrests

Alaska Fulfillment Services LLC will report all criminal activity in accordance with applicable law. Involvement in criminal activity while employed by the Company, whether on or off Company property, may result in disciplinary action including suspension or termination of employment.

You are expected to be on the job, ready to work, when scheduled. Inability to report to work as scheduled may lead to disciplinary action, up to and including termination of employment, for violation of an attendance policy or job abandonment.

5.2 Exit Interview

You may be asked to participate in an exit interview when you leave Alaska Fulfillment Services LLC. The purpose of the exit interview is to provide management with greater insight into your decision to leave employment; identify any trends requiring attention or opportunities for improvement; and to assist the Company in developing effective recruitment and retention strategies. Your cooperation in the exit interview process is appreciated.

5.3 Open Door/Conflict Resolution Policy

Alaska Fulfillment Services LLC strives to provide a comfortable, productive, legal, and ethical work environment. To this end, we want you to bring any problems, concerns, or grievances you have about the work place to the attention of your Supervisor and, if necessary, to Human Resources. To help manage conflict resolution we have instituted the following problem solving procedure:

If you believe there is inappropriate conduct or activity on the part of the Company, management, its employees, vendors, customers, or any other persons or entities related to the Company, bring your concerns to the attention of your Supervisor at a time and place that will allow the person to properly listen

to your concern. Most problems can be resolved informally through dialogue between you and your immediate Supervisor. If you have already brought this matter to the attention of your Supervisor before and do not believe you have received a sufficient response, or if you believe that person is the source of the problem, present your concerns to Human Resources or upper level management. Describe the problem, those persons involved in the problem, efforts you have made to resolve the problem, and any suggested solution you may have.

5.4 Outside Employment

Outside employment that creates a conflict of interest or that affects the quality or value of your work performance or availability at Alaska Fulfillment Services LLC is prohibited. The Company recognizes that you may seek additional employment during off hours, but in all cases expects that any outside employment will not affect your attendance, job performance, productivity, work hours, or scheduling, or would otherwise adversely affect your ability to effectively perform your duties or in any way create a conflict of interest. Any outside employment that will conflict with your duties and obligations to the Company should be reported to your Supervisor. Failure to adhere to this policy may result in discipline up to and including termination.

5.5 Pay Raises

Depending on financial health and other Company factors, efforts will be made to give pay raises consistent with Alaska Fulfillment Services LLC profitability, job performance, and the consumer price index. The Company may also make individual pay raises based on merit or due to a change of job position.

5.6 Performance Improvement

Alaska Fulfillment Services LLC will make efforts to periodically review your work performance. The performance improvement process will take place as business needs dictate. You may specifically request that your Supervisor assist you in developing a performance improvement plan at any time.

The performance improvement process is a means for increasing the quality and value of your work performance. Your initiative, effort, attitude, job knowledge, and other factors will be addressed. You must understand that a positive job performance review does not guarantee a pay raise or continued employment. Pay raises and promotions are based on numerous factors, only one of which is job performance.

5.7 Post-Employment References

Alaska Fulfillment Services LLC policy is to confirm dates of employment and job title only. With written authorization, the Company will confirm compensation. Forward any requests for employment verification to Human Resources.

5.8 Promotions

To match you with the job for which you are best suited and to meet the business needs of Alaska Fulfillment Services LLC, you may be transferred from your current job. It is our policy to promote from within only when the most qualified candidate is available. Promotions are made on an equal opportunity basis according to employees possessing the needed skills, education, experience, and other qualifications that are required for the job.

All employees promoted into new job positions will undergo a 90-day introductory period as described in the New Hires and Introductory Periods policy. Unlike new hires, however, such employees will continue to receive Company benefits for which they are eligible.

5.9 Resignation Policy

Alaska Fulfillment Services LLC hopes that your employment with the Company will be a mutually rewarding experience; however, the Company acknowledges that varying circumstances can cause you to resign employment. The Company intends to handle any resignation in a professional manner with minimal disruption to the workplace.

Notice

The Company requests that you provide a minimum of two weeks' notice of your resignation. Provide a written resignation letter to your Supervisor. If you provide less notice than requested, the Company may deem you to be ineligible for rehire, depending on the circumstances of the notice given.

The Company reserves the right to provide you with pay in lieu of notice in situations where job or business needs warrant.

Final Pay

The Company will pay separated employees in accordance with applicable laws and other sections of this handbook.

Notify the Company if your address changes during the calendar year in which resignation occurs to ensure tax information is sent to the correct address.

Return of Property

Return all Company property at the time of separation, including SIDA and Naniq employee badge. Failure to return some items may result in deductions from your final paycheck where state law allows. In some circumstances, the Company may pursue criminal charges for failure to return Company property.

5.10 Standards of Conduct

Alaska Fulfillment Services LLC wishes to create a work environment that promotes job satisfaction, respect, responsibility, integrity, and value for all our employees, clients, customers, and other stakeholders. We all share in the responsibility of improving the quality of our work environment. By deciding to work here, you agree to follow our rules.

While it is impossible to list everything that could be considered misconduct in the workplace, what is outlined here is a list of common-sense infractions that could result in discipline, up to and including immediate termination of employment. This policy is not intended to limit our right to discipline or discharge employees for any reason permitted by law.

Examples of inappropriate conduct include:

- Violation of the policies and procedures set forth in this handbook.
- Possessing, using, distributing, selling, or negotiating the sale of illegal drugs or other controlled substances.
- Being under the influence of alcohol during working hours on Company property (including in Company vehicles), or on Company business.
- Inaccurate reporting of the hours worked by you or any other employees.
- Providing knowingly inaccurate, incomplete, or misleading information when speaking on behalf of the Company or in the preparation of any employment-related documents including, but not limited to, job applications, personnel files, employment review documents, intra-company communications, or expense records.
- Taking or destroying Company property.
- Possession of potentially hazardous or dangerous property (where not permitted) such as firearms, weapons, chemicals, etc., without prior authorization.
- Fighting with, or harassment of (as defined in our EEO policy), any fellow employee, vendor, or customer.

- Disclosure of Company trade secrets and proprietary and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development information, customer lists, patents, trademarks, etc.) of the Company or its customers, contractors, suppliers, or vendors.
- Refusal or failure to follow directions or to perform a requested or required job task.
- Refusal or failure to follow safety rules and procedures.
- Excessive tardiness or absences.
- Smoking in nondesignated areas.
- Working unauthorized overtime.
- Solicitation of fellow employees on Company premises during working hours.
- Failure to dress according to Company policy.
- Use of obscene or harassing (as defined by our EEO policy) language in the workplace.
- Engaging in outside employment that interferes with your ability to perform your job at this Company.
- Gambling on Company premises.
- Lending keys or keycards to Company property to unauthorized persons.

Nothing in this policy is intended to limit your rights under the National Labor Relations Act, or to modify the at-will employment status where at-will is not prohibited by state law.

5.11 Transfers

Alaska Fulfillment Services LLC may transfer your employment from one position to another with or without notice, as required by production or service needs, or upon request by you and with management approval. Transfers in excess of 90 days may be considered final and your paycheck may be increased or decreased consistent with the pay scale for your new position.

5.12 Workforce Reductions (Layoffs)

If necessary based upon business needs, Alaska Fulfillment Services LLC management may decide to implement a reduction in force (RIF). We acknowledge that RIFs can be a trying experience for all involved, and the Company will make its best effort to make sound business decisions while acknowledging the needs of its workforce.

6.0 General Policies

6.1 Computer Security and Copying of Software

Software programs purchased and provided by Alaska Fulfillment Services LLC are to be used only for creating, researching, and processing materials for Company use. By using Company hardware, software, and networking systems you assume personal responsibility for their use and agree to comply with this policy and other applicable Company policies, as well as city, state, and federal laws and regulations.

All software acquired for or on behalf of the Company, or developed by Company employees or contract personnel on behalf of the Company, is and will be deemed Company property. It is the policy of the Company to respect all computer software rights and to adhere to the terms of all software licenses to which the Company is a party. The I.T. Department is responsible for enforcing these guidelines.

You may not illegally duplicate any licensed software or related documentation. Unauthorized duplication of software may subject you and/or the Company to both civil and criminal penalties under the United States Copyright Act. To purchase software, obtain your manager's approval. All software acquired by the Company must be purchased through I.T.

You may not duplicate, copy, or give software to any outsiders including clients, contractors, customers, and others. You may use software on local area networks or on multiple machines only in accordance with applicable license agreements entered into by the Company.

6.2 Employer Sponsored Social Events

Alaska Fulfillment Services LLC holds periodic social events for employees. Be advised that your attendance at these events is voluntary and does not constitute part of your work-related duties. Any exceptions to this policy must be in writing and signed by a Supervisor prior to the event.

Alcoholic beverages may be available at these events. If you choose to drink alcoholic beverages, you must do so in a responsible manner. Do not drink and drive. Instead, please call a taxi or appoint a designated driver.

6.3 Employer-Provided Cell Phone/Mobile Device Policy

Alaska Fulfillment Services LLC may issue certain employees a Company cell phone/mobile device for work-related communications and/or operations. If you drive a vehicle during your employment, you may not use any cell phone/mobile device or other communication device while driving unless the device is equipped or configured with a "hands-free" listening/speaking option, and you in fact utilize the hands-free device.

The Company owns and remains entitled to all cell phone/mobile devices issued to employees, including all passwords controlling access to them. You may not change those passwords except with permission. At the time of employment termination, all such equipment and passwords must be returned to the Company in operable condition.

SCANNER EQUIPMENT POLICY

The scanning equipment is used daily by employees of AK Fulfillment to complete essential job functions and duties. We have an obligation to our customers and vendors to ensure every package that is sorted is scanned and tracked virtually. The scanning equipment is set up for this purpose exclusively and the settings of each individual scanner shall not be tampered with.

This policy is for ALL employees using scanning equipment, regardless of tenure or position.

All employees that use a scanner will be issued a Scanner Inventory Control Card (SICC), after they complete the initial scanner use training. This card is a controlled item and will be returned upon termination of employment at AKF.

This card will be given to the authorized personnel issuing the scanner and will be placed in the appropriate slot in the scanner control Cabinet, while the scanner is checked out. The SICC will be returned to the employee upon return of the scanner to the authorized personnel checking the scanners back in.

At the end of the shift, it is mandatory that the person who checked out the scanning equipment return said equipment. Only authorized Personnel may have access to the scanner equipment control cabinet, and issue or receive scanners too, or from employees. The authorized personnel shall be designated by an Operations Manager or Senior Company Managers.

Employees will be held accountable for missing or damaged scanning equipment.
Scanning equipment will be locked up each day under video surveillance.

Any violation of the Scanner Equipment Policy will result in disciplinary action up to and including termination.

6.4 Nonsolicitation/Nondistribution Policy

To avoid disruption of business operations or disturbance of employees, visitors, and others, Alaska Fulfillment Services LLC has implemented a Nonsolicitation/Nondistribution Policy. For purposes of this policy, "solicitation" includes, but is not limited to, selling items or services, requesting contributions, and soliciting or seeking to obtain membership in or support for any organization. Solicitation performed through verbal, written, or electronic means is covered by the Nonsolicitation/Nondistribution Policy.

You are prohibited from soliciting other employees during your assigned working time. For this purpose, working time means time during which either you or the employees who are the object of the solicitation are expected to be actively engaged with assigned work. You may conduct solicitations during your lunch period, coffee breaks, or other authorized nonworking time, so long as you do so when the other employees are also on nonworking time.

To avoid inappropriate litter, clutter, and safety risks, you may not distribute literature or other items that are not work related in working areas at any time. Working areas do not include break/rest areas, lunch rooms, or parking lots. Electronic distribution of materials is prohibited during work time. Literature that violates the company's equal employment opportunity (EEO) and nonharassment policies (including threats of violence), or is knowingly and recklessly false, is never permitted. Non-employees are not permitted to distribute materials on company premises at any time.

This policy is not intended to restrict the statutory rights of employees, including the right to discuss terms and conditions of employment.

Violations of this policy should be reported to your Supervisor.

6.5 Off-Duty Use of Employer Property or Premises

You may not use Alaska Fulfillment Services LLC property for personal use during working time. You are responsible for returning Company property in good condition and repairing or replacing any property damaged as the result of personal use or as the result of negligence. This includes use of copy machines, computers, Company products, or office supplies for personal use without prior authorization.

It is Company policy to control off duty and nonworking hour use of Company facilities either for business or personal reasons. You are prohibited from using Company facilities during off duty or nonworking hours without the written consent of your Supervisor. If you use Company facilities during your off-duty hours or Company off-hours, you may be required to sign a log-in and log-out sheet maintained by the Company or building manager.

6.6 Personal Appearance

You are expected to maintain personal hygiene habits that are generally accepted in the community and appropriate attire for the workplace and the work being performed. This may include wearing uniforms or protective safety clothing and equipment, depending upon the job. Use common sense and good judgment in determining what to wear to work.

Fragrant products, including but not limited to perfumes, colognes, and scented body lotions or hair products, should be used in moderation out of concern for others with sensitivities or allergies.

The Company, in accordance with applicable law, will reasonably accommodate employees with disabilities or religious beliefs that make it difficult for them to comply fully with the personal appearance policy unless doing so would impose an undue hardship on the Company. Contact your Supervisor to request a reasonable accommodation.

Failure to comply with the personal appearance standards may result in being sent home to groom or change clothes. Frequent violations may result in disciplinary action, up to and including termination of employment.

6.7 Personal Cell Phone/Mobile Device Use

While Alaska Fulfillment Services LLC permits employees to bring personal cell phones and other mobile devices (i.e. smart phones, tablets, laptops) into the workplace, you must not allow the use of such devices to interfere with your job duties or impact workplace safety, health, or security.

This policy is to help employees understand the appropriate times and uses for cell phones within our TSA/Homeland secured facility. As a TSA facility we have the responsibility to closely monitor all aspects of the warehouse, maintain freight integrity at all time and not allow unsecured access to the warehouse or freight. We want to minimize the distractions, inefficiencies, accidents and time loss that cell phones can create when used improperly.

This policy is for ALL employees, regardless of tenure. All cell phones will be left in your vehicles or lockers. Cell phones will be used only when on official breaks. Cell phones will not be turned on or placed in use while in the secure warehouse facility. Exceptions to this may include but may not be limited to employees whose position requires use of said device, i.e. Managers, Relay Scanners, and Drivers.

If you have a device that has a camera and/or audio/video recording capability, you are restricted from using those functions on Company property unless authorized in advance by management or when they are used in a manner consistent with your right to engage in concerted activity under section 7 of the National Labor Relations Act (NLRA).

You will be subject to disciplinary action up to and including termination of employment for violation of this policy.

6.8 Personal Data Changes

It is your obligation to provide Alaska Fulfillment Services LLC with your current contact information, including current mailing address and telephone number. Inform the Company of any changes to your marital or tax withholding status. Failure to do so may result in loss of benefits or delayed receipt of W-2 and other mailings. To make changes to this information, contact Human Resources.

6.9 Security

All employees are responsible for helping to make Alaska Fulfillment Services LLC a secure work environment. Upon leaving work, lock all desks, lockers, and doors protecting valuable or sensitive material in your work area and report any lost or stolen keys, passes, or similar devices to your Supervisor immediately. Refrain from discussing specifics regarding Company security systems, alarms, passwords, etc. with those outside of the Company.

Immediately advise your Supervisor of any known or potential security risks and/or suspicious conduct of employees, customers, or guests of the Company. Safety and security is the responsibility of all employees and we rely on you to help us keep our premises secure.

6.10 Social Media Policy

At Alaska Fulfillment Services LLC, we recognize the Internet provides unique opportunities to participate in interactive discussions and share information using a wide variety of social media. However, use of social media also presents certain risks and carries with it certain responsibilities. To minimize risks to the Company, you are expected to follow our guidelines for appropriate use of social media.

This policy applies to all employees who work for the Company.

Guidelines

For purposes of this policy, **social media** includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or a chat room, whether associated or affiliated with the Company, as well as any other form of electronic communication.

Company principles, guidelines, and policies apply to online activities just as they apply to other areas of work. Ultimately, you are solely responsible for what you communicate in social media. You may be personally responsible for any litigation that may arise should you make unlawful defamatory, slanderous, or libelous statements against any customer, manager, owner, or employees of the Company.

Know and Follow the Rules

Ensure your postings are consistent with these guidelines. Postings that include unlawful discriminatory remarks, harassment, and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Be Respectful

The Company cannot force or mandate respectful and courteous activity by employees on social media during nonworking time. If you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as unlawful, slanderous, threatening, or that might constitute unlawful harassment. Examples of such conduct might include defamatory or slanderous posts meant to harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, age, national origin, religion, veteran status, or any other status or class protected by law or Company policy. Your personal posts and social media activity should not reflect upon or refer to the Company.

Maintain Accuracy and Confidentiality

When posting information:

- Maintain the confidentiality of trade secrets, intellectual property, and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the Company.
- Do not create a link from your personal blog, website, or other social networking site to a Company website that identifies you as speaking on behalf of the Company.
- Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, do not represent yourself as speaking on behalf of the Company. Make it clear in your social media activity that you are speaking on your own behalf.
- Respect copyright, trademark, third-party rights, and similar laws and use such protected information in compliance with applicable legal standards.

Using Social Media at Work

Do not use social media while on your work time, unless it is work related as authorized by your manager or consistent with policies that cover equipment owned by the Company.

Media Contacts

If you are not authorized to speak on behalf of the Company, do not speak to the media on behalf of the Company. Direct all media inquiries for official Company responses to Human Resources.

Retaliation and Your Rights

Retaliation or any other negative action is prohibited against anyone who, based on a reasonable belief, reports a possible deviation from this policy or cooperates in an investigation. Those who retaliate against others for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Nothing in this policy is designed to interfere with, restrain, or prevent employees from communications regarding wages, hours, or other terms and conditions of employment, or to restrain employees in exercising any other right protected by law. All employees have the right to engage in or refrain from such activities.

6.11 Third Party Disclosures

From time to time, Alaska Fulfillment Services LLC may become involved in news stories or potential or actual legal proceedings of various kinds. When that happens, lawyers, former employees, newspapers, law enforcement agencies, and other outside persons may contact our employees to obtain information

about the incident or the actual or potential lawsuit.

If you receive such a contact, you should not speak on behalf of the Company and should refer any call requesting the position of the Company to Kim Howard. If you have any questions about this policy or are not certain what to do when such a contact is made, contact Kim Howard.

6.12 Use of Company Technology

This policy is intended to provide Alaska Fulfillment Services LLC employees with the guidelines associated with the use of the Company information technology (IT) resources and communications systems.

This policy governs the use of all IT resources and communications systems owned by or available at the Company, and all use of such resources and systems when accessed using your own devices, including but not limited to:

- Email systems and accounts.
- Internet and intranet access.
- Telephones and voicemail systems, including wired and mobile phones, smartphones, and pagers.
- Printers, photocopiers, and scanners.
- Fax machines, e-fax systems, and modems.
- All other associated computer, network, and communications systems, hardware, peripherals, and software, including network key fobs and other devices.
- Closed-circuit television (CCTV) and all other physical security systems and devices, including access key cards and fobs.

General Provisions

Company IT resources and communications systems are to be used for business purposes only unless otherwise permitted under applicable law.

All content maintained in Company IT resources and communications systems are the property of the Company. Therefore, employees should have no expectation of privacy in any message, file, data, document, facsimile, telephone conversation, social media post, conversation, or any other kind or form of information or communication transmitted to, received, or printed from, or stored or recorded on Company electronic information and communications systems.

The Company reserves the right to monitor, intercept, and/or review all data transmitted, received, or downloaded over Company IT resources and communications systems in accordance with applicable law. Any individual who is given access to the system is hereby given notice that the Company will exercise this right periodically, without prior notice and without prior consent. The interests of the Company in monitoring and intercepting data include, but are not limited to: protection of Company trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.); managing the use of the computer system; and/or assisting employees in the management of electronic data during periods of absence.

You should not interpret the use of password protection as creating a right or expectation of privacy, nor should you have a right or expectation of privacy regarding the receipt, transmission, or storage of data on Company IT resources and communications systems.

Do not use Company IT resources and communications systems for any matter that you would like to be kept private or confidential.

Violations

If you violate this policy, you will be subject to corrective action, up to and including termination of employment. If necessary, the Company will also advise law enforcement officials of any illegal conduct.

6.13 Workplace Privacy and Right to Inspect

Alaska Fulfillment Services LLC property, including but not limited to lockers, phones, computers, tablets, desks, work place areas, vehicles, or machinery, remains under the control of the Company and is subject to inspection at any time, without notice to any employees, and without their presence.

You should have no expectation of privacy in any of these areas. We assume no responsibility for the loss of, or damage to, your property maintained on Company premises including that kept in lockers and desks.

7.0 Benefits

7.1 Bereavement Leave

Alaska Fulfillment Services LLC recognizes the importance of taking leave when there is a death in the family. Where bereavement leave is not required by law, the Company will provide bereavement leave as follows:

All employees are eligible for 5 days unpaid bereavement leave for the death of an immediate family member.

You may use accrued but unused vacation/sick leave if additional time is needed. Additional unpaid time off may be granted at the discretion of the Company on a case-by-case basis.

For purposes of this policy, ***immediate family member*** includes the following and applies both to the family of the employee and the employee's spouse: child (including foster child and stepchild), spouse, sister, brother, parents (including foster parents and stepparents), grandparents.

You must provide notice of your need for bereavement leave as far in advance as possible. The Company may require documentation supporting your need for bereavement leave.

7.2 Employee Assistance Program (EAP)

Alaska Fulfillment Services LLC provides confidential assistance through its employee assistance program (EAP) to all eligible employees and their family members/dependents. The EAP provides confidential access to professional counseling services for help with personal concerns that may impact job performance. These concerns may include, but are not limited to, health, marital, family, financial, legal, emotional, alcohol abuse, and drug use. The EAP can help assess the problem, offer guidance, and provide a referral to quality care.

Voluntary participation in the EAP will not jeopardize your opportunities for promotion or employment. You can contact the EAP directly. Any information about your contact, participation, or any recommended treatment is confidential and will not be disclosed to the Company.

In certain circumstances, you may be referred to the EAP by your Supervisor due to job performance issues.

FOR EMPLOYERS WHO PERFORM DRUG OR ALCOHOL TESTING: If you test positive on an alcohol and/or drug test, you may be referred to the EAP for assessment and rehabilitation recommendations. Your decision to participate in the recommended treatment, successful completion of the program, and additional treatment recommendations will be communicated to the Company.

EAP services are available to eligible participants without charge; however, the cost of referrals to treatment or rehabilitation is your responsibility if it is not completely covered by insurance.

EAP services can be initiated by contacting the EAP service provider, BalanceWorks, at: 1-800-960-5371/www.eniweb.com.

7.3 Holidays

Alaska Fulfillment Services LLC offers the following paid holidays each year:

Regular full-time and regular part-time employees receive six (6) paid holidays per year:

- New Year's Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day
- Memorial Day

Employees receive straight-time for regular hours worked, time and a half for any overtime worked, and straight-time for eight hours of holiday pay.

7.4 Personal Leave of Absence

The Alaska Family Leave Act (AFLA) requires covered public employers to provide up to 18 weeks of unpaid, job-protected leave to eligible employees for certain family and medical reasons. Employees are eligible if they have been employed for a covered employer for at least 35 hours a week for at least six consecutive months or for at least 17.5 hours per week for at least 12 consecutive months immediately preceding the leave, and if there have been at least 21 employees within 50 road miles during any period of 20 consecutive workweeks in the preceding two calendar years.

Reasons for taking leave: Unpaid leave must be granted for any of the following reasons:

To care for the employee's child after birth, or placement for adoption or foster care (except AFLA);

To care for the employee's spouse, son or daughter, or parent who has a serious health condition, or

For a serious health condition that makes the employee unable to perform the employee's job.

At the employee's or employer's option, certain kinds of paid leave may be substituted for unpaid leave. The state requires the use of paid leave.

Advance Notice and Medical Certification: The employee may be required to provide advance leave notice and medical certification. Taking of leave may be denied if requirements are not met.

The employee ordinarily must provide 30 days advance notice when the leave is "foreseeable."

An employer may require medical certification to support a request for leave because of a serious health condition, and may require second or third opinions (at the employer's expense), periodic updates and a fitness for duty report to return to work.

7.5 Regular Full-Time Personnel

Regular full-time employees are those who have completed their introductory period and are regularly scheduled to work more than 30 hours per week. Unless stated otherwise or specifically permitted by law, all the benefits provided to employees at Alaska Fulfillment Services LLC are for regular full-time employees only. This includes vacation, holiday pay, health insurance, and other benefits coverage.

7.6 Regular Part-Time Personnel

All employees who work fewer than 30 hours per week are considered part time. Part-time employees are not eligible for Alaska Fulfillment Services LLC benefits unless specified otherwise in this handbook, in the benefit plan summaries, or specifically permitted by law.

7.7 Temporary Personnel

Temporary employees are hired for a specific period or specific work project, not to exceed 6 months in duration. Alaska Fulfillment Services LLC reserves the right to extend the duration of temporary employment where necessary. Temporary employees are not eligible for benefits unless specified otherwise in this handbook or in the benefit plan summaries, or specifically permitted by law.

7.8 Unemployment Compensation Insurance Policy

Unemployment compensation insurance is paid for by Alaska Fulfillment Services LLC and provides temporary income for employees who have lost their job under certain circumstances. Your eligibility for unemployment compensation will, in part, be determined by the reasons for your separation from the Company.

7.9 Workers' Compensation Insurance Policy

Workers' compensation is a no-fault system designed to provide benefits to all employees for work-related injuries. Workers' compensation insurance coverage is paid for by employers and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave, and rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job while working at Alaska Fulfillment Services LLC, no matter how slightly, you are to report the incident immediately to your Supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your Supervisor immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an accident report. You will be required to submit a medical release before you can return to work.

7.10 COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides the opportunity for eligible Alaska Fulfillment Services LLC employees and their beneficiaries to continue health insurance coverage under the Company health plan when a "qualifying event" could result in the loss of eligibility. Qualifying events include resignation, termination of employment, death of an employee, reduction in hours, a leave of absence, divorce or legal separation, entitlement to Medicare, or where a dependent child no longer meets eligibility requirements.

Contact Human Resources to learn more about your COBRA rights.

7.11 Emergency Paid Sick Leave Policy (COVID-19)

Alaska Fulfillment Services LLC provides eligible employees with emergency paid sick leave under certain conditions between April 1, 2020 and December 31, 2020 under the Emergency Paid Sick Leave Act, which is part of the Families First Coronavirus Response Act (FFCRA).

Eligibility

All employees are eligible for emergency paid sick leave.

Reason for Leave

You may take emergency paid sick leave if you are unable to work (or telework) because:

1. You are subject to a federal, state, or local quarantine or isolation order related to COVID-19;
2. You have been advised by a health care provider to self-quarantine because of COVID-19;
3. You are experiencing symptoms of COVID-19 and are seeking a medical diagnosis;
4. You are caring for an individual or are advised to quarantine or isolate;

5. You are caring for a child whose school or place of care is closed, or whose childcare provider is unavailable, due to COVID-19 precautions; or
6. You are experiencing substantially similar conditions as specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury.

Potential Exemption

The Company, as a small business with fewer than 50 employees, under certain circumstances, may need to deny emergency paid sick leave under this policy if granting such leave would jeopardize the viability of the Company's business as an ongoing concern. The Company is exempt from the requirement of providing emergency paid sick leave to care for your son or daughter whose school or place of care is closed, or whose child care is unavailable, for COVID-19 related reasons when:

- Such paid leave would cause the Company's expenses and financial obligations to exceed available business revenue and cause the Company to cease operating at a minimal capacity;
- The absence of those requesting such leave would pose a substantial risk to the financial health or operational capacity of the Company because of their specialized skills, knowledge of the business, or responsibilities; or
- The Company cannot find enough other workers who are able, willing, and qualified and who will be available at the time and place needed, to perform the labor or services those requesting leave provide, and these labor and services are needed for the Company to operate at a minimum capacity.

Duration/Compensation

Full-time employees are entitled to up to 80 hours of paid sick leave for qualifying events. Part-time employees are entitled to take the number of hours they would normally be scheduled to work during a two-week period.

For employees with varying hours, one of the following methods for determining the number of hours paid will be used:

- If the individual has worked six months or more, the average number of hours that the individual was scheduled per day over the six-month period ending on the date on which the individual takes leave, including hours for which they took leave of any type.
- If the individual has worked less than six months, the expected number of hours to be scheduled per day at the time of hire.

The rate of your pay depends on your reason(s) for taking leave. If you:

- Are subject to a federal, state, or local quarantine or isolation order related to COVID-19, pay is at the greater of your regular rate or the applicable minimum wage, capped at \$511 per day.
- Have been advised by a health care provider to self-quarantine because of COVID-19 concerns, pay is at the greater of your regular rate or the applicable minimum wage, capped at \$511 per day.
- Choose to obtain a medical diagnosis because you are experiencing symptoms of COVID-19, pay is at the greater of your regular rate or the applicable minimum wage, capped at \$511 per day.
- Caring for or assisting an individual who is subject to an order or recommendation as described in bullet 1 or 2 above, pay is at two-thirds of the greater of your or the applicable minimum wage, capped at \$200 per day.
- Are caring for your child because of school or daycare closure, or because the child care provider is unavailable, due to COVID-19, pay is at two-thirds of the greater of your regular rate or the applicable minimum wage, capped at \$200 per day.
- Are experiencing any other substantially similar condition specified by the Secretary of Health and Human Services, pay is at two-thirds of the greater of your regular rate or the applicable minimum wage, capped at \$200 per day.

Leave Rules

You may elect to use emergency paid sick leave before using any accrued paid leave. The Company will coordinate any interaction between local, state, and federal leave laws, including emergency paid sick leave laws, to the extent necessary and consistent with those laws.

No leave provided by the Company before April 1, 2020 may be credited against your leave entitlement. In addition, no unused emergency paid sick leave can be carried over after December 31, 2020 or paid to you.

Requesting Leave

If you need to take emergency paid sick leave, provide notice as soon as possible. Normal call-in procedures apply to all absences from work.

Intermittent Use of Leave

If the Company directs or allows you to telework, but you are unavailable to do so because of one of the qualifying reasons for emergency paid sick leave, the Company may agree to allow you to take paid sick leave intermittently, in any agreed increment of time. If you normally report to work at a Company worksite, the Company may agree to allow you to take paid sick leave in any agreed increment of time to care for your son or daughter whose school or place of care is closed, or child care provider is unavailable, because of a COVID-19 related reason.

Documentation

When requesting emergency paid sick leave, you must provide the following information (verbally or in writing):

- Your name;
- Date(s) for which leave is requested;
- Qualifying reason for the leave; and
- Verbal or written statement that you are unable to work because of the qualified reason for leave.

To take emergency paid sick leave for a qualifying COVID-19 related reason under bullet 1 above, you must additionally provide the name of the government entity that issued the quarantine or isolation order.

To take emergency paid sick leave for a qualifying COVID-19 related reason under bullet 2 above, you must additionally provide the name of the health care provider who advised you to self-quarantine due to concerns related to COVID-19.

To take emergency paid sick leave for a qualifying COVID-19 related reason under bullet 3 above, you must additionally provide either:

- The name of the government entity that issued the quarantine or isolation order to which the individual being cared for is subject; or
- The name of the health care provider who advised the individual being cared for to self-quarantine due to concerns related to COVID-19.

To take emergency paid sick leave for a qualifying COVID-19 related reason under bullet 5 above, you must additionally provide:

- The name of the child being cared for;
- The name of the school, place of care, or child care provider that has closed or become unavailable; and
- A representation that no other suitable person will be caring for the child during the period for which you take emergency paid sick leave.

The Company may also request you to provide such additional material as needed to support a request for tax credits pursuant to the FFCRA. The Company is not required to provide leave if materials sufficient to support the applicable tax credit have not been provided.

Retaliation

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

Expiration

This policy expires on December 31, 2020.

7.12 Expanded Family and Medical Leave Policy (COVID-19)

Alaska Fulfillment Services LLC provides eligible employees with up to 12 weeks of expanded family and medical leave for a qualifying need related to a public health emergency between April 1, 2020 and December 31, 2020 under the Families First Coronavirus Response Act (FFCRA).

Eligibility

Expanded family and medical leave is available to all employees that have been employed by the Company for at least 30 calendar days. You are considered to have been employed by the Company for at least 30 calendar days if:

- You were on the Company's payroll for the 30 days immediately prior to the day your leave would begin; or
- You were laid off or otherwise terminated by the Company on or after March 1, 2020 and were rehired or otherwise re-employed by the Company on or before December 31, 2020, provided that you had been on the Company's payroll for leave upon reinstatement if you had been previously employed by the Company for 30 or more of the 60 calendar days prior to your layoff or termination.

Reason for Leave

Leave under this policy is limited to circumstances where you are unable to work (including telework) due to your need to care for your son or daughter whose school or place of care has been closed, or whose child care provider is unavailable, for reasons related to COVID-19. **Son or daughter** means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is under 18 years of age or is 18 years of age or older and is incapable of self-care because of a mental or physical disability.

Your need for leave under this policy is qualifying only if no suitable person is available to care for your child during the period of such leave.

Requesting Leave

If you need to take expanded family and medical leave, provide notice as soon as possible. Normal call-in procedures apply to all absences from work.

Duration of Leave

You will have up to 12 weeks of leave to use from April 1, 2020 through December 31, 2020 for the reason stated above.

Intermittent Use of Leave

If the Company directs or allows you to telework, but you are unavailable to do so because you need to care for your son or daughter whose school or place of care is closed, or child care provider is unavailable, because of a COVID-19-related reason, the Company may agree to allow you to take extended FMLA leave intermittently, in any agreed increment of time. If you normally report to work at a Company worksite, the Company may agree to allow you to take extended FMLA leave in any agreed increment of time to care for your son or daughter whose school or place of care is closed, or child care provider is unavailable, because of a COVID-19 related reason.

Compensation

The first 10 days (two weeks) of expanded family and medical leave are unpaid. However, during this period, you may use accrued paid vacation, sick, or personal leave and will receive the full amount of such accrued leave. You may also elect to use the paid leave provided under the Emergency Paid Sick Leave Act, which provides pay up to a maximum of \$200 per day. After the first two workweeks of expanded family and medical leave, leave will be paid at two-thirds of your regular rate of pay for the number of hours you would otherwise be scheduled to work. Pay will not exceed \$200 per day and \$10,000 in total, or \$12,000 in total if using emergency paid sick leave for the first two weeks. Any unused portion of this pay will not carry over to the next year.

The Company will coordinate any interaction between local, state, and federal leave laws, including emergency paid sick leave laws, to the extent necessary and consistent with those laws.

For employees with varying hours, one of the following methods for determining the number of hours paid will be used:

- If the individual has worked six months or more, the average number of hours that the employee was scheduled per day over the six-month period ending on the date on which the individual takes leave, including hours for which they took leave of any type.
- If the individual has worked less than six months, the expected number of hours to be scheduled per day at the time of hire.

Documentation

When requesting expanded family and medical leave, you must provide the following information (verbally or in writing):

1. Your name;
2. Date(s) for which leave is requested;
3. Qualifying reason for the leave;
4. Verbal or written statement that you are unable to work because of the qualified reason for leave;
5. The name of the child being cared for;
6. The name of the school, place of care, or child care provider that has closed or become unavailable; and
7. A representation that no other suitable person will be caring for the child during the period for which you take expanded family and medical leave.

The Company may also request you provide additional materials as needed to support a request for tax credits pursuant to the FFCRA. The Company is not required to provide leave if materials sufficient to support the applicable tax credit have not been provided.

Restoration

Upon returning to work at the end of leave, you will generally be placed in your original job or an equivalent job with equivalent pay and benefits. You will not lose any benefits that accrued before leave was taken.

Retaliation

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

Potential Exemption

The Company, as a small business with fewer than 50 employees, may need to deny otherwise qualifying leave under this policy if granting such leave would jeopardize the viability of the Company's business as an ongoing concern. The Company is exempt from the requirement of providing expanded family and medical leave when:

- Such leave would cause the Company's expenses and financial obligations to exceed available business revenue and cause the Company to cease operating at a minimal capacity;

- The absence of those requesting such leave would pose a substantial risk to the financial health or operational capacity of the Company because of their specialized skills, knowledge of the business, or responsibilities; or
- The Company cannot find enough other workers who are able, willing, and qualified and who will be available at the time and place needed, to perform the labor or services those requesting leave provide, and these labor and services are needed for the Company to operate at a minimum capacity.

Expiration

This policy expires on December 31, 2020.

7.13 Military Leave (USERRA)

Alaska Fulfillment Services LLC complies with applicable federal and state law regarding military leave and re-employment rights. Unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and all applicable state law. You must submit documentation of the need for leave to Human Resources. When returning from military leave of absence, you will be reinstated to your previous position or a similar position, in accordance with state and federal law. You must notify your Supervisor of your intent to return to employment based on requirements of the law. For more information regarding status, compensation, benefits, and reinstatement upon return from military leave, contact Human Resources.

8.0 Safety and Loss Prevention

8.1 Drug and Alcohol Policy

Alaska Fulfillment Services LLC is committed to providing a safe, healthy, and productive work environment. Consistent with this commitment, it is the intent of the Company to maintain a drug and alcohol-free workplace. Being under the influence of alcohol, illegal drugs (as classified under federal, state, or local laws), or other impairing substances while on the job may pose a serious health and safety risk to others, and will not be tolerated.

Prohibited Conduct

The Company expressly prohibits employees from engaging in the following activities when they are on duty or conducting Company business or on Company premises (whether or not they are working):

- The use, abuse, or being under the influence of alcohol, illegal drugs, or other impairing substances.
- The possession, sale, purchase, transfer, or transit of any illegal or unauthorized drug, including prescription medication that is not prescribed to the individual, or drug-related paraphernalia.
- The illegal use or abuse of prescription drugs.

While the use of marijuana has been legalized under some state laws for medicinal and/or recreational uses, it remains an illegal drug under federal law. The Company does not discriminate against employees solely on the basis of their lawful off-duty use of marijuana. You may not consume or be under the influence of marijuana while on duty or at work. If you have a valid prescription for medical marijuana, refer to the Company Disability Accommodation policy for additional information.

Nothing in this policy is meant to prohibit your appropriate use of over-the-counter medication or other medication that can legally be prescribed under both federal and state law, if it does not impair your job performance or safety or the safety of others. If you take over-the-counter medication or other medication that can legally be prescribed under both federal and state law to treat a disability, inform your Supervisor if you believe the medication may impair your job performance, safety, or the safety of others or if you believe you need a reasonable accommodation before reporting to work while under the influence of that medication.

Violations

Violation of this policy may result in disciplinary action, up to and including termination of employment.

8.2 General Safety Policy

It is the responsibility of all Alaska Fulfillment Services LLC employees to maintain a healthy and safe work environment. Report all safety hazards and occupational illnesses or injuries to your Supervisor as soon as reasonably possible and complete an occupational illness or injury form as needed. Failure to follow the Company health and safety rules may result in disciplinary action, up to and including termination of employment.

8.3 Policy Against Workplace Violence

As the safety and security of our employees, vendors, contractors, and the general public is in the best interests of Alaska Fulfillment Services LLC, we are committed to working with our employees to provide a work environment free from violence, intimidation, and other disruptive behavior.

Zero Tolerance Policy

The Company has a zero tolerance policy regarding workplace violence and will not tolerate acts or threats of violence, harassment, intimidation, and other disruptive behavior, either physical or verbal, that occurs in the workplace or other areas. This applies to management, co-workers, employees, and non-employees such as contractors, customers, and visitors.

Workplace violence can include oral or written statements, gestures, or expressions that communicate a direct or indirect threat of physical harm, damage to property, or any intentional behavior that may cause a person to feel threatened.

Prohibited Conduct

Prohibited conduct includes, but is not limited to:

- Physically injuring another person.
- Threatening to injure a person or damage property by any means, including verbal, written, direct, indirect, or electronic means.
- Taking any action to place a person in reasonable fear of imminent harm or offensive contact.
- Possessing, brandishing, or using a firearm on Company property or while performing Company business except as permitted by state law.
- Violating a restraining order, order of protection, injunction against harassment, or other court order.

Reporting Incidents of Violence

Report to your Supervisor, in accordance with this policy, any behavior that compromises our ability to maintain a safe work environment. All reports will be investigated immediately and kept confidential, except where there is a legitimate need to know. You are expected to cooperate in any investigation of workplace violence.

Violations

Violating this policy may subject you to criminal charges as well as discipline up to and including immediate termination of employment.

Retaliation

Victims and witnesses of workplace violence will not be retaliated against in any manner. In addition, you will not be subject to discipline for, based on a reasonable belief, reporting a threat or for cooperating in an investigation.

If you initiate, participate, are involved in retaliation, or obstruct an investigation into conduct prohibited by this policy, you will be subject to discipline up to and including termination.

If you believe you have been wrongfully retaliated against, immediately report the matter to Human Resources.

9.0 Trade Secrets and Inventions

9.1 Confidentiality and Nondisclosure of Trade Secrets

As a condition of employment, Alaska Fulfillment Services LLC employees are required to protect the confidentiality of Company trade secrets, proprietary information, and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the Company. Access to this information should be limited to a "need to know" basis and should not be used for personal benefit, disclosed, or released without prior authorization from management.

If you have information that leads you to suspect that employees are sharing such information in violation of this policy and/or competitors are obtaining such information, you are required to inform your Supervisor or Human Resources.

Violation of this policy may result in disciplinary action up to and including termination, and may subject the violator to civil liability.

9.2 Inventions

Any invention created, in whole or in part, during your work hours, or from the use of equipment or facilities belonging to Alaska Fulfillment Services LLC, is a "work for hire" and is the property of the Company.

If you intend to develop and maintain property rights to any invention that relates in any way to products or services of the Company, you are required to obtain a written waiver of this policy, signed by both you, Human Resources, and CEO/CFO/President.

Alaska Policies

Hiring and Orientation Policies

Disability Accommodation

Alaska Fulfillment Services LLC complies with the Americans with Disabilities Act (ADA), the Pregnancy Discrimination Act, and all applicable state and local fair employment practices laws, and is committed to providing equal employment opportunities to qualified individuals with disabilities, including disabilities related to pregnancy, childbirth, and related conditions. Consistent with this commitment, the Company will provide reasonable accommodation to otherwise qualified individuals where appropriate to allow the individual to perform the essential functions of the job, unless doing so would create an undue hardship on the business.

If you require an accommodation because of your disability, it is your responsibility to notify your Supervisor. You may be asked to include relevant information such as:

- A description of the proposed accommodation.
- The reason you need an accommodation.
- How the accommodation will help you perform the essential functions of your job.

After receiving your request, the Company will engage in an interactive dialogue with you to determine the precise limitations of your disability and explore potential reasonable accommodations that could overcome those limitations. Where appropriate, we may need your permission to obtain additional information from your medical provider. All medical information received by the Company in connection with a request for accommodation will be treated as confidential.

The Company encourages you to suggest specific reasonable accommodations that you believe would allow you to perform your job. However, the Company is not required to make the specific accommodation requested by you and may provide an alternative accommodation, to the extent any reasonable accommodation can be made without imposing an undue hardship on the Company.

If leave is provided as a reasonable accommodation, such leave may run concurrently with leave under the federal Family and Medical Leave Act and/or any other leave where permitted by state and federal law.

The Company will not discriminate or retaliate against employees for requesting an accommodation.

EEO Statement and NonHarassment Policy

Equal Opportunity Statement

Alaska Fulfillment Services LLC is committed to the principles of equal employment. We are committed to complying with all federal, state, and local laws providing equal employment opportunities, and all other employment laws and regulations. It is our intent to maintain a work environment that is free of harassment, discrimination, or retaliation because of age (40 and older), race, color, national origin, ancestry, religion, sex (including sexual orientation and gender identity), pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. The Company is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment.

The Company will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, or retaliation, or any violation of the Equal Employment Opportunity Policy in a confidential manner. The Company will take appropriate corrective action, if and where warranted. The Company

prohibits retaliation against employees who provide information about, complain about, or assist in the investigation of any complaint of discrimination or violation of the Equal Employment Opportunity Policy.

We are all responsible for upholding this policy. You may discuss questions regarding equal employment opportunity with your Supervisor or any other designated member of management.

Policy Against Workplace Harassment

Alaska Fulfillment Services LLC has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex (including sexual orientation and gender identity), pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

Sexual Harassment

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

While it is not possible to identify every act that constitutes or may constitute sexual harassment, the following are some examples of sexual harassment:

- Unwelcome requests for sexual favors;
- Lewd or derogatory comments or jokes;
- Comments regarding sexual behavior or the body of another;
- Sexual innuendo and other vocal activity such as catcalls or whistles;
- Obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual nature;
- Repeated requests for dates after being informed that interest is unwelcome;
- Retaliating against another for refusing a sexual advance or reporting an incident of possible sexual harassment to the Company or any government agency;
- Offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; and
- Any unwanted physical touching or assaults or blocking or impeding movements.

Other Harassment

Other workplace harassment is verbal or physical conduct that insults or shows hostility or aversion toward an individual because of the individual's age (40 and older), race, color, national origin, ancestry, religion, sex (including sexual orientation and gender identity), pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws.

Again, while it is not possible to list all the circumstances that may constitute other forms of workplace harassment, the following are some examples of conduct that may constitute workplace harassment:

- The use of disparaging or abusive words or phrases, slurs, negative stereotyping, or threatening, intimidating, or hostile acts that relate to the above protected categories;
- Written or graphic material that insults, stereotypes, or shows aversion or hostility toward an individual or group because of one of the above protected categories and that is placed on walls, bulletin boards, email, voicemail, or elsewhere on our premises, or circulated in the workplace; and

- A display of symbols, slogans, or items that are associated with hate or intolerance toward any select group.

Reporting Discrimination and Harassment

If you feel that you have witnessed or have been subjected to any form of discrimination or harassment, immediately notify [[name, title, phone number, email]] or any member of management.

The Company prohibits retaliation against employees who, based on a reasonable belief, provide information about, complain, or assist in the investigation of any complaint of harassment or discrimination.

We will promptly and thoroughly investigate any claim and take appropriate action where we find a claim has merit. To the extent possible, we will retain the confidentiality of those who report suspected or alleged violations of the harassment policy.

Discipline for violation of this policy may include, but is not limited to, reprimand, suspension, demotion, transfer, and discharge. If the Company determines that harassment or discrimination occurred, corrective action will be taken to effectively end the harassment. As necessary, the Company may monitor any incident of harassment or discrimination to assure the inappropriate behavior has stopped. In all cases, the Company will follow up as necessary to ensure that no individual is retaliated against for making a complaint or cooperating with an investigation.

Religious Accommodation

Alaska Fulfillment Services LLC is dedicated to treating its employees equally and with respect and recognizes the diversity of their religious beliefs. All employees may request an accommodation when their religious beliefs cause a deviation from the Company dress code or the individual's schedule, basic job duties, or other aspects of employment. The Company will consider the request, but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that will be considered are cost, the effect that an accommodation will have on current established policies, and the burden on operations — including other employees — when determining a reasonable accommodation. At no time will the Company question the validity of a person's belief.

If you require a religious accommodation, speak with your Supervisor or Human Resources.

Wage and Hour Policies

Accommodations for Nursing Mothers

Alaska Fulfillment Services LLC will provide nursing mothers reasonable unpaid break time to express milk for their infant child(ren) for up to one year following the child's birth.

If you are nursing, you will be provided with a space, other than a restroom, that is shielded from view and free from intrusion from co-workers and the public.

Expressed milk can be stored in company refrigerators or in a personal cooler. Sufficiently mark or label your milk to avoid confusion for other employees who may share the refrigerator.

Break time should, if possible, be taken concurrently with any other break time already provided. If you are nonexempt, clock out for any time taken that does not run concurrently with normally scheduled rest periods.

You must make reasonable efforts to not disrupt Company operations.

You are encouraged to discuss the length and frequency of these breaks with your Supervisor. This policy applies only to employees classified as nonexempt under the Fair Labor Standards Act.

No provision of this policy applies, or will be enforced, if it conflicts with or is superseded by any requirement or prohibition contained in a federal, state, or local law, or regulation.

Meal and Rest Periods

Alaska Fulfillment Services LLC strives to provide a safe and healthy work environment and complies with all federal and state regulations regarding meal and rest periods. Check with your Supervisor regarding procedures and schedules for rest and meal breaks. The Company requests that employees accurately observe and record meal and rest periods. If you know in advance that you may not be able to take your scheduled break or meal period, let your Supervisor know; in addition, notify your Supervisor as soon as possible if you were unable to or prohibited from taking a meal or rest period.

Overtime

If you are nonexempt, you may qualify for overtime pay. All overtime must be approved in advance, in writing, by your Supervisor.

At certain times Alaska Fulfillment Services LLC may require you to work overtime. We will attempt to give as much notice as possible in this instance. However, advance notice may not always be possible. Failure to work overtime when requested or working unauthorized overtime may result in discipline, up to and including discharge.

Unless otherwise required or exempted by law, overtime pay of one and one-half times your regular rate of pay is paid for any hours worked in excess of eight hours in a day or 40 hours in a workweek. Holidays, vacation days, and sick leave days do not count as time worked for computing overtime.

Pay Period

At Alaska Fulfillment Services LLC, the standard pay period is biweekly for all employees. Pay dates are on Fridays following the end of the two week pay period. If a pay date falls on a holiday, you will be paid on the preceding workday. Special provisions may be required from time to time if holidays fall on pay dates. Check with your Supervisor if this type of date arises.

Review your paycheck for accuracy. If you find an issue, report it to your Supervisor immediately.

Travel Time Pay

Some nonexempt positions within Alaska Fulfillment Services LLC require travel. The Company pays nonexempt employees for travel time in accordance with federal and state law. For purposes of this policy, the regular workday is 8:30 – 5:30 (Monday – Friday).

Home to Work Travel

If you travel from home before the regular workday and return to your home at the end of the workday, you are engaged in ordinary home to work travel, which is not work time.

Home to Work on a Special One Day Assignment in Another City

If you regularly work at a fixed location in one city and you are given a special one day assignment in another city, but return home the same day, the time spent in traveling to and returning from the other city is work time, except that the Company may deduct/not count that time you would normally spend commuting to the regular work site.

Travel That Is All in a Day's Work

Your time spent in travel as part of your principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

Performance, Discipline, Layoff, and Termination

Disciplinary Process

Violation of Alaska Fulfillment Services LLC policies or procedures may result in disciplinary action including demotion, transfer, leave without pay, or termination of employment. The Company encourages a system of progressive discipline depending on the type of prohibited conduct. However, the Company is not required to engage in progressive discipline and may discipline or terminate employees who violate the rules of conduct, or where the quality or value of their work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at-will" basis.

In appropriate circumstances, management will first provide you with a verbal warning, then with one or more written warnings, and if the conduct is not sufficiently altered, eventual demotion, transfer, forced leave, or termination of employment. Your Supervisor will make every effort possible to allow you to respond to any disciplinary action taken. Understand that while the Company is concerned with consistent enforcement of our policies, we are not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, you may be disciplined or terminated without any prior warning or procedure.

General Policies

Access to Personnel and Medical Records Files

Alaska Fulfillment Services LLC maintains separate medical records files and personnel files for all employees. Files containing medical records are stored separate and apart from any business-related records in a safe, locked, inaccessible location. The medical file is the repository for sensitive and confidential information related to an individual's health, health benefits, health-related leave and/or accommodations, and benefits selections and coverage. Medical records are kept confidential in compliance with applicable laws and access is on a "need-to-know" basis only.

Supervisors and others in management may have access to your personnel file for possible employment-related decisions. If you wish to review your personnel or medical records file, you must give the Company reasonable notice. Inspection must occur in the presence of a Company representative during regular business hours. You may obtain a copy of your personnel file for a reasonable fee that covers the cost of duplication.

All requests by an outside party for information contained in your personnel file will be directed to Human Resources, which is the only department authorized to give out such information.

Benefits

Jury Duty Leave

Alaska Fulfillment Services LLC encourages employees to fulfill their civic duties related to jury duty. If you are summoned for jury duty, notify your Supervisor as soon as possible to make scheduling arrangements.

If you are classified as exempt, you will not incur any deduction in pay for a partial week's absence due to jury duty. If you are classified as nonexempt, you will not be compensated for time spent on jury duty.

The Company reserves the right to require employees to provide proof of jury duty service to the extent authorized by law.

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

Voting Leave

If your shift starts less than two hours after the polls open or ends less than two hours before the polls close, you may take enough time off from work to vote without loss of pay. Provide reasonable notice to your Supervisor of the need for time off to vote. Proof of voting may be required.

Safety and Loss Prevention

Nonsmoking Policy

Alaska Fulfillment Services LLC is concerned about the effect that smoking and secondhand smoke inhalation can have on its employees and clients. Smoking in the office, client areas, and restrooms is prohibited.

Closing Statement

Thank you for reading our handbook. We hope it has provided you with an understanding of our mission, history, and structure as well as our current policies and guidelines. We look forward to working with you to create a successful Company and a safe, productive, and pleasant workplace.

John Witte, CEO

Alaska Fulfillment Services LLC

Acknowledgment of Receipt and Review

By signing below, I acknowledge that I have received a copy of the Alaska Fulfillment Services LLC Employee Handbook (handbook) and that I have read it, understand it, and agree to comply with it. I understand that the Company has the maximum discretion permitted by law to interpret, administer, change, modify, or delete the rules, regulations, procedures, and benefits contained in the handbook at any time with or without notice. No statement or representation by a supervisor, manager, or any other employee, whether oral or written, can supplement or modify this handbook. Changes can only be made if approved in writing by the President, or CEO of the Company. I also understand that any delay or failure by the Company to enforce any rule, regulation, or procedure contained in the handbook does not constitute a waiver on behalf of the Company or affect the right of the Company to enforce such rule, regulation, or procedure in the future.

I understand that neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. I further understand that, unless I have a written employment agreement signed by an authorized Company representative, I am employed "at-will" (to the extent permitted by law) and this handbook does not modify my "at-will" employment status.

If I am covered by a written employment agreement (signed by an authorized Company representative) or a collective-bargaining agreement that conflicts with the terms of this handbook, I understand that the terms of the employment agreement or collective-bargaining agreement will control.

This handbook is not intended to preclude or dissuade employees from engaging in legally protected activities under the National Labor Relations Act (NLRA).

This handbook supersedes any previous handbook or policy statements, whether written or oral, issued by Alaska Fulfillment Services LLC.

If I have any questions about the content or interpretation of this handbook, I will contact Human Resources.

Signature

Date

Print Name