



FAMILY

you are accepted for
exactly who you are



IMPACT

doing good by
doing well



HONESTY

we tell the truth even
when it is not easy



MISSION

DRIVE

we do not play for
participation trophies



VISION



VALUES



Dear New Employee,

Welcome to the Asset Family. Here we recognize that our most important asset is actually our people.

As a company, we are guided by our mission that everyone deserves a place to call home. I'm excited for you to join the team as we work to make our vision of becoming the most trusted partner in real estate a reality.

At Asset, we are governed by four salient values: Family, Drive, Honesty, and Impact. Here you are accepted for who you are—no matter what. Because we aren't just a well-oiled team, we're a family that always has each other's back. A family that doesn't just show up for participation trophies, but instead plays to win. We tell the truth even when it's not easy because we don't get distracted by office politics. And we always place the community's best interest first. Because we work day in and day out to make a lasting difference.

As you onboard, this handbook contains helpful information around the programs and benefits available to you as well as an outline of our company policies. Take a moment to read through and familiarize yourself with the contents. If anything is unclear, don't hesitate to reach out to your supervisor. These guidelines are intended to promote mutual respect, cooperation, and teamwork—all of which are vital to our collective success.

I hope your experience here is challenging, enjoyable, and ultimately rewarding. Again, I welcome you to Asset and hope to speak with you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "R McGrath".

Ryan McGrath
Chief Executive Officer

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SECTION 100 – EMPLOYMENT

101 INTRODUCTION

This handbook is intended to provide you with a general understanding of the personnel policies of Asset and SWBC Professional Employer Services regarding their covered employees. It is also intended to provide you with information required by laws that regulate this employment relationship. This handbook is for your benefit and is provided to meet our objective to keep you well informed. It is your responsibility to review all the policies in the handbook and become familiar with them. However, this handbook cannot anticipate every situation or answer every question about employment. It is not intended to be all inclusive. Certain situations may arise that require management actions that may not be addressed in this handbook. Please contact your supervisor if you have any questions or concerns about the policies herein.

This handbook is not an employment contract and is not intended to create contractual obligations of any kind.

Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Company documents. These Company documents always control over any statement made in this handbook or by any member of management. Nothing in this handbook constitutes a guarantee of employment. Any compensation amount or employee benefit program referred to in annual or monthly terms is stated for convenience only and does not create a contractual agreement for any specific period of time.

To retain necessary flexibility in the administration of policies and procedures, we reserve the right to change, revise, or eliminate any of the policies, procedures and/or benefits described in this handbook, with or without notice, except for the policy of employment-at-will.

SWBC Professional Employer Services (also referred to as “SWBC PEO”) is a licensed Professional Employer Organization (“PEO”). The Company has contracted with SWBC PEO to perform certain professional employer services on behalf of Asset and its employees. Many of these services affect you, the employee (also referred to as “employee”, “work-site employee”, “you”, “your”, or “yours”). You are a covered employee of Asset and SWBC PEO. The contract between Asset and SWBC PEO provides that certain responsibilities remain with Asset and others are the responsibility of SWBC PEO. They deal with right of direction, payment of wages, payment of payroll taxes, discipline and hiring policies. Although SWBC PEO shares in the right of direction and control of your work efforts, you will be subject to daily work direction and means of performance by Asset.

You should have already signed a Conditions of Employment Agreement outlining your employment relationship with SWBC PEO. Any questions regarding your status as a covered employee may be directed to SWBC Professional Employer Services at (830) 980-1200.

This handbook is effective on the date below and supersedes all prior handbooks, policy manuals, letters, memoranda, benefits or practices of the Company.

102 EMPLOYMENT-AT-WILL

Employment with Asset is at-will, unless there is a written agreement to the contrary signed by an authorized representative of the Company. To affect the nature of your employment with Asset, any such agreement must be signed by the Chief Executive Officer of Asset. The at-will employment policy means that, in the absence of such an agreement, either you or the Company may terminate your employment at any time, with or without cause, and with or without advance notice.

Unless and until superseded by a subsequent notice and handbook, this notice and handbook apply to all employees regardless of date of hire and supersede any prior notice, handbook, or policies on the same subjects, both oral and written, except as otherwise indicated in this handbook.

Your employment with SWBC PEO is at-will regardless of whether you have a written employment agreement with Asset.

Asset has the right to transfer, demote, or otherwise discipline an employee at any time for any lawful reason. SWBC PEO does not have the authority to change your at-will status with Asset, enter into any agreements on behalf of Asset for employment for any specified period or make any promises or commitments to the contrary. Likewise, Asset does not have the authority to change your at-will status with SWBC PEO, enter into any agreements on behalf of SWBC PEO for employment for any specified period or make any promises or commitments to the contrary. Asset however, maintains the ability to enter into employment agreements,

independent of SWBC PEO, which is not binding on SWBC PEO and does not alter the at-will nature of your employment with SWBC PEO.

103 EQUAL EMPLOYMENT OPPORTUNITY AND FAIR HOUSING

Asset and SWBC PEO will make employment decisions based on merit, qualifications, and abilities. Asset and SWBC PEO do not discriminate in employment opportunities or practices on the basis of actual or perceived race, color, national origin, religion, sex, (including pregnancy, childbirth or medical condition related to pregnancy or childbirth), breastfeeding or a related condition, sexual orientation, gender identity or expression, legally protected genetic information, age, physical or mental disability, family status, military or veteran status, or any other factor determined to be an unlawful basis for such decisions by federal, state, or local law. In addition to federal requirements, Asset and SWBC PEO comply with applicable state and local laws governing nondiscrimination in employment in every location in which it has facilities, which include protection based on medical condition, marital status, sexual orientation, and gender identity and expression. This policy governs all aspects of employment including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

If you have a question or concern about any type of discrimination in the workplace, you are encouraged to bring the issue to the attention of your supervisor, the Executive Vice President of Human Resources at (866) 480-3288, or SWBC PEO. At Asset, be assured that you can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Asset also fully supports and complies with the Fair Housing Act and will not tolerate behavior or conduct that violates the Act. All employees are expected to treat prospective and current residents politely, respectfully, and equally. All decisions made with respect to any prospective or current resident will be made without regard to that person's race, color, religion, sex (including pregnancy), disability, familial status, national origin, sexual orientation, gender identity or expression, and any other category protected by federal, state, or local law.

104 SEXUAL AND OTHER UNLAWFUL HARASSMENT

Policy Against Proscribed Harassment and Discrimination

Asset and SWBC PEO are committed to providing a work environment in which all individuals are treated with respect and dignity. Each individual has a right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. We will not tolerate harassment relating to any characteristic protected under applicable law by any employee, contractor, vendor, customer, or visitor. Protected characteristics include age, race, color, national origin, gender (including pregnancy, childbirth or medical condition related to pregnancy or childbirth), gender identity or expression, sexual orientation, religion, physical or mental disability, medical condition, genetic information, marital status, veteran status, military status, or any other characteristic protected by federal, state, or local law. In addition to any disciplinary action we may take, up to and including termination of employment, offenders may also be personally liable, in the event of litigation, for damages and attorney's fees and other costs of litigation.

Except where otherwise indicated, the term "harassment," refers to behavior that is based on any characteristic protected under applicable law and that has the purpose or effect of creating an intimidating, hostile or offensive work environment, has the purpose or effect of interfering with an individual's work performance, or otherwise adversely affects an individual's employment opportunities. Conduct may violate this policy even if it does not rise to the level of violating the law.

What is Sexual Harassment?

Under various state and federal laws, sexual harassment includes, but is not limited to, making unwanted sexual advances and requests for sexual favors where:

- Submission to such conduct or communication is either explicitly or implicitly made a term or condition of an individual's employment; or
- Submission to or rejection of such conduct or communication by an individual is used as a basis for employment decisions affecting such individual; or
- Such conduct or communication has the purpose or effect of unreasonably interfering with an individual's work performance or creates and/or perpetuates an intimidating, hostile, or offensive work environment.

- As defined by law, sexual harassment can also take the form of other unwelcome conduct or communication that has the purpose or effect of unreasonably interfering with an individual's work performance or creates and/or perpetuates an intimidating, hostile, or offensive work environment, such as verbal abuse of a sexual nature, unwanted touching, leering, sexual gestures, a display of sexually suggestive objects or images, sexually explicit or offensive jokes, stories, cartoons, nicknames, slurs, epithets, and other communications of a sexual nature.

What Are Other Kinds of Harassment?

In addition to sexual harassment, the Company prohibits all other harassment based on age, race, color, national origin, gender (including pregnancy, childbirth or medical condition related to pregnancy or childbirth), gender identity or expression, sexual orientation, religion, physical or mental disability, medical condition, genetic information, marital status, veteran status, military status, or any other characteristic protected by federal, state, or local law.

Forms of Harassment

Harassment may take many forms, including the following conduct when based on the protected characteristics described above:

- **Verbal.** Epithets; derogatory comments, slurs, or name-calling; inappropriate jokes, e-mails or any other form of written communication, comments, noises, or remarks; repeated requests for dates, threats, propositions, unwelcome and unwanted correspondence, phone calls, and gifts; or other unwelcome attention.
- **Physical.** Assault; impeding or blocking movement; physical interference with normal work or movement; unwanted and unwarranted physical contact, such as touching, pinching, patting, grabbing, brushing against, or poking another employee's body.
- **Visual.** Abusive or patently offensive images (whether in photographs, posters, cartoons, drawings, paintings or other forms of imagery); displaying abusive or patently offensive images, writings or objects; ogling, staring at or directing attention to an employee's anatomy; leering; sexually oriented or suggestive gestures.
- **Cyberstalking.** Prohibited harassment using electronic communication, such as e-mail or instant messaging (IM), or messages posted to a website, blog, or discussion group.

Prohibited harassment can occur in one-on-one interactions or in group settings and can involve a co-worker, manager, vendor, customer, visitor, or agent of the Company. Sexual harassment can also occur in the context of a relationship that was once consensual but has changed so that the behavior is no longer welcome by one party. It is impossible to specify every action or all words that could be interpreted as harassment. The examples listed above are not meant to be a complete list of objectionable behavior. Make a point of paying attention to others' reactions and stated requests and preferences, respecting their wishes, and treating them in a professional manner, regardless of gender, race, religion, nationality, age, sexual orientation, sexual identity or expression, or other protected characteristic.

Reporting Harassment

Asset and SWBC PEO provide you with a convenient and reliable method for reporting incidents of alleged harassment, including sexual harassment and discrimination. Any employee who feels harassed or discriminated against is encouraged to immediately inform the alleged offender that the behavior is unwelcome. In many instances, the person is unaware his or her conduct is offensive and this action alone may often resolve the problem. If the informal discussion with the alleged offender is unsuccessful in remedying the problem, or if you do not feel comfortable with such an approach, you should immediately report the conduct to the Executive Vice President of Human Resources at (866) 480-3288 or SWBC PEO at (830) 980-1200. Managers should immediately report any reports received or any suspected incidents of harassment of others to the Executive Vice President of Human Resources. We cannot resolve a harassment or discrimination problem unless we know about it. Therefore, it is your responsibility to bring those kinds of problems to our attention so we can take the necessary steps to correct any problems. The report should include all facts available to you regarding the alleged harassment, sexual harassment, or discrimination.

Confidentiality

All reports of alleged harassment, sexual harassment, or discrimination will be treated seriously. Confidentiality will be maintained to the extent possible. However, to conduct a thorough investigation, certain information may need to be disclosed to other individuals, including the alleged offender. Consequently, absolute confidentiality cannot be promised and cannot be guaranteed.

Investigative Procedure

Once a complaint of alleged harassment, sexual harassment, or discrimination is received, we will begin a prompt and thorough investigation. The investigation may include interviews with all involved employees, including the alleged harasser, and any employees who are aware of facts or incidents alleged to have occurred.

Consequences

Following an investigation, if it is determined that unlawful harassment has occurred, prompt and appropriate remedial action will be taken. Any employee(s) determined to be responsible for unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

If the alleged harassment, sexual harassment, or discrimination is from a vendor, contractor, customer or other third party, Asset and SWBC PEO will take appropriate action to stop the conduct.

If you have made a complaint but feel that the action taken in response has not remedied the situation, you should make an additional complaint following the complaint procedure outlined in this policy.

Protection Against Retaliation

Neither the Company nor the law will tolerate any form of retaliation against any employee who opposes discrimination or prohibited harassment, makes a complaint, or participates in any manner in an internal investigation or an investigation, proceeding, or hearing conducted by a state or federal agency or court. If you believe that you have experienced or witnessed retaliation, you should immediately report your concern to the Executive Vice President of Human Resources at (866) 480-3288. Any employee who engages in retaliation will be subject to disciplinary action, up to and including termination of employment, as well as possible legal consequences.

105 DISABILITY ACCOMMODATION

Asset and SWBC PEO are dedicated to complying fully with the Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act (ADAAA), and will make reasonable accommodations for qualified individuals with known disabilities in accordance with the ADA and the ADAAA and all other applicable federal, state, and local laws, unless doing so would result in undue hardship. If you believe you may need an accommodation in order to perform the essential functions of your position, please contact the Executive Vice President of Human Resources at (866) 480-3288 to request such an accommodation and begin the interactive process, which will include discussing your impairment, your limitations, and possible reasonable accommodations that may enable you to perform the functions of your position.

106 RETALIATION

Federal and state laws that prohibit employment discrimination also make it unlawful to retaliate against an individual who makes a good faith complaint about discrimination, opposes discrimination or prohibited harassment, makes a complaint or participates in any manner in an internal investigation or an investigation, proceeding, or hearing conducted by a state or federal agency or court, or otherwise engages in protected activity. Retaliation is a serious violation of Asset policy.

Employees are encouraged to cooperate with Asset in the internal investigation of any matter by providing honest, truthful and complete information without fear of retaliation. Asset takes all complaints of retaliation very seriously. All such complaints will be reviewed promptly and, where appropriate, investigated. If you believe you have been retaliated against or that any other violation of this policy has occurred, or if you have questions concerning this policy, you must immediately notify the Executive Vice President of Human Resources or your immediate supervisor. Any employee who violates this policy is subject to disciplinary action, up to and including termination of employment.

107 IMMIGRATION AND EMPLOYMENT ELIGIBILITY

Asset will hire only those individuals who are authorized to work in the United States. All individuals will be required to submit documentary proof of their identity and employment authorization. Employees will also be required to complete and sign under oath, Immigration and Naturalization Service Form I-9. Form I-9 requires employees to attest that they are authorized to work in the job for which they are hired and that the documents they submit are genuine.

If an employee is authorized to work in this country for a limited period of time, before the expiration of that period, he/she will be required to submit proof of continued employment authorization.

Your employment may be terminated if at any time you cannot comply with laws requiring you to verify your right to work in the United States.

108 EMPLOYMENT CATEGORIES

Understanding the definitions of the employment classifications at Asset is important because your classification is one of the factors that determine your employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Since employment with Asset is at-will, either you or Asset have the right to terminate the employment relationship at any time, with or without cause or advance notice.

Depending on your position, you are designated as either “non-exempt” or “exempt” from federal and state wage and hour laws. Non-exempt employees are entitled to minimum wage and overtime pay under the specific provisions of federal and state wage and hour laws. Exempt employees are excluded from specific provisions of federal and state wage and hour laws. You will be informed of your exempt or non-exempt classification upon hire and informed of any subsequent changes to the classification. Your exempt or non-exempt classification may be changed only with written notice by Asset management.

In addition to the exempt and non-exempt classification, you also belong to one of the following employment categories:

Full-time employees are those who are regularly scheduled to work at least 30 hours per week. Generally, they are eligible for the Asset benefit package offered at their worksite, subject to the terms, conditions, and limitations of each benefit program. Please refer to Section 606 of this Employee Handbook or the Employee Benefits booklet for more information.

Part-time employees are those who are regularly scheduled to work less than 30 hours per week. Part-time employees working less than 30 hours per week are not eligible to participate in employee benefit plans, including, but not limited to personal time off (PTO) and holiday pay. Part-time employees may be eligible for paid time off or other benefits under state or local law.

Temporary employees are those who are hired as interim replacements, to temporarily supplement the workforce, or to assist in the completion of a specific project. Temporary employees retain that status unless and until notified of a change. Temporary employees are not entitled to receive employee benefits, unless eligible for paid time off or other benefits under state or local law.

If you have questions about your employment category, contact your supervisor or Asset’s Human Resources Department.

109 EMPLOYMENT DOCUMENTS

Asset and SWBC PEO rely upon the accuracy of information collected throughout the hiring process and employment. Any misrepresentation, falsification, or omission of any information or data may result in exclusion from further consideration for employment or other disciplinary action.

110 ACCESS TO PERSONNEL FILES

Asset and SWBC PEO maintain a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of Asset and SWBC PEO, and access by others to the information they contain is restricted, unless otherwise allowed by federal, state, or local law. Generally, only personnel of SWBC PEO, the employee's supervisor, or other management personnel of Asset (who have a legitimate reason to review information in a file) are allowed to do so. It may be necessary from time to time to provide access to persons outside SWBC PEO or Asset in response to a request from a government agency, subpoena, court order, etc.; however, SWBC PEO and Asset will attempt to protect the privacy of employees as much as is reasonably possible in those situations.

Requests to review your own personnel file should be made to the Executive Vice President of Human Resources at (866) 480-3288.

111 EMPLOYEE RECORDS

To ensure that your personnel file is up-to-date at all times, notify your Asset supervisor or your SWBC PEO payroll specialist of any changes in your name, telephone number, home address, withholding instructions, number of dependents, beneficiary designations, or the individuals to notify in case of an emergency. Additionally, you may update your file through PrismHR at swb.prismhr.com/swb.

To help us keep records and benefit program information accurate, please notify Asset and SWBC PEO of any changes to your personal information. The information we need includes your mailing address, telephone numbers, income tax exemptions, changes to your dependents' information, who to contact in case of an emergency, and other possibly relevant information. If you have questions about what information is required or how to give notification of changes, contact your supervisor.

112 SERVICE OF LEGAL DOCUMENTS

The acceptance of a subpoena or any legal document must be handled by a Regional Supervisor or above. Employees are not authorized to do so; therefore, all legal documents must be immediately forwarded to your Regional Supervisor within 24 hours.

113 NEWS MEDIA INQUIRIES

Any requests for information from the news media concerning one of Asset's properties must be directed to the Regional Supervisor. No employees, unless specifically designated, are authorized to make statements to the news media on behalf of Asset.

114 NEPOTISM

In order to promote the efficient operation of our business and to avoid misunderstandings; complaints of favoritism; other problems of supervision, security and morale; and possible claims of sexual harassment, managers and supervisors are discouraged from dating or pursuing romantic or sexual relationships with employees whom they supervise, directly or indirectly.

Notification of Relationship

In the event a supervisor becomes involved in a dating relationship with a subordinate employee, the supervisor must immediately and fully disclose in writing the relationship to Asset's Human Resources Department so that a determination can be made as to whether the relationship presents an actual, perceived or potential conflict of interest. If an actual, perceived or potential conflict exists, Asset may take whatever action it deems appropriate according to the circumstances, up to and including transfer or discharge, in the same manner as set forth below for Employment of Relatives. Failure to disclose material facts may lead to disciplinary action, up to and including termination. Supervisors who violate this policy will be subject to disciplinary action, up to and including termination of employment.

Employment of Relatives

Relatives of present employees may be hired by Asset only if (1) the individual concerned will not work in a direct supervisory relationship with one another, and (2) the employment will not pose difficulties for supervision, security, safety, or morale. Relatives are defined as father, mother, sister, brother, spouse, domestic partner, or significant other, child, stepchild, mother/father-in-law, former legal guardian, son/daughter-in-law, sister/brother-in-law, grandparent, grandchild, aunt, uncle, cousin, nephew, niece or any other member of the household.

Present employees who are in a dating relationship, or who marry, become domestic partners, or who become related by marriage will be permitted to continue employment with Asset only if they do not work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety, or morale. Employees who are in a dating relationship, or who marry, become domestic partners, or who become related by marriage and work in a direct supervisory relationship with one another, Asset will attempt to reassign one of the employees to another position for which he or she is qualified, if such position is available. If no such position is available, then one of the employees will be required to leave Asset. The employees have 30 days to determine which employee will leave. In the event that no alternative position is available and neither employee voluntarily leaves Asset within the 30-day period, Asset retains the right to determine which employee will remain with the Company.

Supervisors and managers are prohibited from using temporary or staffing agencies to circumvent this policy.

Personal Relationships with Vendors

Asset discourages the use of relatives as contractors or for services rendered in any capacity. If an exception is made and a relative is hired to perform services, it must be in writing and approved in advance by the Chief Executive Officer of Asset. Additionally, all invoices processed for that vendor must be approved by the Chief Executive Officer. Employees must disclose all family relationships with vendors to Asset's Human Resources Department.

115 EMPLOYMENT REFERENCES

You should refer all requests for employment verification of current or former Asset employees to SWBC PEO. SWBC PEO will only release your last title and dates of employment, unless you have authorized in writing certain additional information to be provided.

116 PROMOTIONS AND TRANSFERS

- To be eligible for a promotion or transfer, the employee must meet all of the following criteria:
 - Be a regular, full- or part-time employee
 - Have 6 months of service in the current position
 - Have a satisfactory performance history (results and behaviors)
 - Not be under corrective action for performance
 - Meet the job qualifications of the desired position
- Eligibility exceptions are reviewed on a case-by-case basis by management and Human Resources.
- Interested employees should first notify their current manager and then Human Resources before applying to any internal positions.
- Internal applicants will be considered along with external applicants.

- The candidates who most closely match the specified job qualifications will be interviewed.
- All decisions regarding promotions and transfers will be in compliance with local, state, and federal laws.

Instructions:

To apply for another position with Asset:

1. Ensure you meet the eligibility requirements for promotions and transfers.
2. If eligible, discuss with your current manager the specific job opening for which you wish to apply.
3. Notify Human Resources of your interest and your current manager's support.
4. Contact the hiring manager for details on the open position.
5. Apply online for the position.

117 DRIVER'S LICENSE AND INSURANCE REQUIREMENTS

General

- Any employee who drives a vehicle (Company-owned, personal, or rental) for Asset business, on or off Asset property, must always have:
 - A current, valid driver's license (for the appropriate class of vehicle)
 - A valid insurance policy that conforms to applicable state laws
- These documents must be presented to your manager and/or Human Resources at the time of:
 - Hire
 - Transfer
 - Promotion
- At a minimum, managers or Human Resources will recheck these documents each year in January, and may obtain an annual Motor Vehicle Records Report.

Loss of Insurance/Loss, Suspension, or Restriction of License

- Any employee who loses their license, has a suspended/restricted license, or does not have proper insurance, must not drive a vehicle for Company business, on or off the Company's property. This includes golf carts.
 - Employees are responsible for notifying management and/or Human Resources immediately of any such situations.
 - The suspension of driving for Company business takes effect immediately upon Asset's notice to the employee, or as soon as the employee's driver's license has been revoked or suspended, whichever occurs first.
- If the employee's job requires driving, the inability to drive legally may be grounds for termination.
- In some situations, it may be possible to place the employee in a position that does not require driving if such a position is available and the employee is qualified.

118 REHIRES

- To be eligible to receive credit for prior service, a former employee must have been previously employed for 12 continuous months or more.
- If the period of separation is less than 30 calendar days:
 - For the purpose of calculating paid time off (PTO), the employee is credited with their original hire date and will begin accruing PTO for the length of service that is applicable.
 - Background screening is waived.
 - If any accrued sick leave or paid time off (PTO) was forfeited at separation, it will be added back to their balance upon rehire. If state law requires more generous reinstatement rights for state specific leave, Asset will follow state law.
 - If the employee was covered under the group medical insurance plan for the 12 months immediately preceding the date of their voluntary termination, the employee's insurance coverage will be reinstated on the first of the month after the new hire date.
 - Voluntary benefits may have varying reinstatement requirements. The employee is responsible for contacting the provider for details on the reinstatement process and any specific requirements.
 - If the employee was not previously participating in voluntary benefits, they will have the same eligibility as a new hire and will receive the enrollment paperwork in the new hire packet.
- If the period of separation is more than 30 days, the employee is treated as a new hire.

SECTION 200 - PAY PRACTICES

201 WORK SCHEDULES

Office hours will vary from property to property and may change with daylight savings time. Depending upon the property, the leasing and management office may remain open seven days a week. The office should only be closed in an emergency. If this occurs, a sign should be posted on the front door indicating the time the office closed and when the office will open again. All employees should be aware that while you may have been hired to work a certain shift, due to business demands and other considerations, it may be necessary to change your present shift or work station. It is therefore important that you realize that you are hired with the understanding that you will be scheduled as and where needed and will be expected to work on the weekend, if needed. Asset will attempt to give you advance notice of such circumstances, but employees should be aware that this may not always be possible.

- **Meal Periods.** Meal periods will be provided as required by state law. Hourly employees must be completely relieved of all job duties while on meal breaks. Meal schedules should be arranged so that at least one person remains in the office at all times. If, at any time, you believe you are impeded or discouraged from taking your meal break, you must notify Asset's Human Resources Department immediately.
- **Break Time.** Breaks will be provided as required by state law. Hourly employees must be completely relieved of all job duties while on break. Each break should be arranged so that at least one person remains in the office at all times. If, at any time, you believe you are impeded or discouraged from taking your break, you must notify the Asset's Human Resources Department immediately.
- **On-Call Duty.** Because an apartment property is a 24-hour operation, schedules for on-call duty must be organized. In some instances, the person who receives hours while performing on-call duties will receive time off during that same workweek. Please see Asset's On-Call Policy for further information.

202 TIMEKEEPING AND PAY DEDUCTIONS

If you are an hourly employee, you should not check your work e-mail, voice mail, or other Company communications systems after hours if such activity would result in overtime and you have not received advanced approval from your supervisor to perform such overtime work. For example, if you use a cell phone, e-mail, or the internet for business purposes while at home either before or after your regularly scheduled hours, you must include the time you spend engaged in such work when you record your work time. Each employee must sign his or her time records to verify that the reported hours worked are complete and accurate and that there is no unrecorded or "off-the-clock" work.

No supervisor or manager has the authority to direct any employee not to report all hours worked or "work off the clock." At the end of each pay period, you should submit your completed time record for verification and approval. When you receive your paycheck, please verify immediately that you were paid correctly for all regular and overtime hours worked during each workweek.

Exempt employees are required to use accrued PTO for personal leave for full or partial day absences for personal reasons.

203 ELECTRONIC TIMEKEEPING SYSTEM

Asset uses an electronic timekeeping system for payroll records. If you are non-exempt, you must timely and accurately record your start and end times for each workday, including meal breaks. Any discrepancies between time shown on a time record and actual hours worked, including overtime, should be resolved with your supervisor before submitting your hours to payroll. You may not work "off the clock" and if you are asked to do so, you should immediately report this to management. Any employee misrepresenting actual working hours or falsifying information in the timekeeping system will be subject to disciplinary action, up to and including termination of employment.

When submitting your timesheet, you are verifying the following: "I certify that this timesheet truthfully and accurately reflects all hours worked by me during the record period, including any overtime and on-call hours, regardless of whether I was scheduled to work these hours. I certify that no one instructed me NOT to record all my hours worked, and that I will immediately report any incident to Asset's Human Resources Department at (866) 480-3288 if so instructed. I certify that there are no unreported accidents or injuries during the recorded period which might result in a Workers' Compensation Claim."

204 ERROR IN PAY

Asset and SWBC PEO make every effort to ensure that you receive the correct amount of pay in each paycheck and that you are paid on the scheduled payday.

You should review your paycheck when received and, if you believe an error has been made, contact your supervisor and SWBC PEO human resources specialist immediately. All necessary steps will be taken to research the problem and to assure that any necessary correction is promptly made.

205 EXEMPT EMPLOYEE REDUCTION OF SALARY

Exempt employees are paid on a salary basis and, in general, must be paid their full salary for any week they perform work. Their weekly salary may be reduced only in the following circumstances:

- Employees who are absent for at least a full day because of personal reasons, sickness or disability will not be paid for that day unless they have accrued paid time off under the Asset paid time off, vacation, sickness or disability policy and the absence qualifies for pay under the policy. Their salary will not be reduced for less than a full day because of personal reasons, sickness or disability.
- Employees who are absent from work for jury duty, attendance as a witness or military leave may have their salary reduced by the amount of payment they receive in the form of jury fees, witness fees or military pay. Their salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week.
- Employees who work less than 40 hours during their first and/or last week of employment will be paid a proportionate part of their full salary for the time actually worked.
- Employees who take leave under the Family and Medical Leave Act will not be paid for that time unless they have accrued paid time off under the Company paid time off, vacation, sickness or disability policy, if any. Their salary will be reduced by the hours missed, even if it is for less than a full day.
- Employees who violate a safety rule of major significance may have their salary reduced in an amount to be determined by the Company as a penalty for that violation.
- Employees may be suspended without pay for other types of workplace misconduct, but only in full day increments. This refers to suspensions imposed according to a written policy applicable to all employees regarding serious misconduct, including, but not limited to, workplace harassment, violence, drug and alcohol violations, legal violations, etc. The possibility of unpaid suspensions is included into all similar policies.

This policy is subject to applicable state law regarding reduction of exempt employees' salaries if the state law is more favorable to employees.

Prohibited Reductions/Complaint Procedure

Any salaried exempt employee whose salary is reduced in violation of this policy will be reimbursed. If you feel your salary has been improperly reduced, please notify Asset's Human Resources Department or your SWBC PEO human resources specialist. No employee will be penalized in any way for making a complaint.

This policy is intended solely to implement Fair Labor Standards Act (FLSA) regulatory requirements, and applicable state law will be applied and modified as necessary in accordance with the requirements, and is not to be considered any type of contract.

206 REPORTING VIOLATIONS

It is a violation of Asset policy for any employee to falsify a time card, or to alter another employee's time card. It is also a serious violation for any employee to instruct another employee to incorrectly or falsely report hours worked or alter another employee's time card to under or over report hours worked. If any manager or employee instructs you to: (1) incorrectly or falsely under report or over report your hours worked; (2) alter another employee's time records to inaccurately or falsely report that employee's hours worked; or (3) conceal any falsification of time records or to violate this policy, do not do so. Instead, report it immediately to Asset's Human Resources Department.

If you have questions about deductions from your pay, please contact Asset's Human Resources Department or SWBC PEO immediately. If you believe your wages have been subject to an improper deduction or your pay does

not accurately reflect all hours worked, you should report your concerns to a supervisor immediately. If a supervisor is unavailable, or if you have not received a prompt acceptable reply within three business days, you should immediately contact Asset's Human Resources Department at (866) 480-3288 or SWBC PEO.

Every report will be fully investigated and corrective action will be taken against any employee who violates this policy. Additionally, Asset and SWBC PEO will not allow any form of retaliation against individuals who report alleged violations or cooperate in an investigation of such reports. Any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

207 OVERTIME PAY

There may be times when Asset cannot meet its operating requirements or other needs during regular working hours. If this happens, we may need employees to work overtime hours. When possible, we will try to let you know in advance of a mandatory overtime assignment. We will try to distribute overtime assignments among all employees who are qualified to perform the required work.

Employees should not work any hours outside of their scheduled workday without their supervisor's prior approval. Employees are prohibited from performing any "off-the-clock" work. This means employees should not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless specifically authorized to do so and that time is recorded on the employee's time record. If anyone has directed you to work "off the clock" or not report your hours worked, please notify Asset's Human Resources Department or your SWBC PEO human resources specialist. You will not be penalized in any way for making such a complaint.

Employees cannot work overtime without the approval and authorization of their supervisor before the hours are worked.

The workweek for overtime purposes for employees working at Asset corporate offices is Sunday at 12:01 A.M. until Saturday at 12 Midnight. The workweek for employees working at property locations begins on Friday at 12:01 A.M. and continues until Thursday at 12 Midnight. All hourly employees will be paid overtime compensation in accordance with federal and state wage and hour laws. **Overtime pay is based on actual hours worked.** Time off for illness, vacation, holiday, or any other paid or unpaid leave of absence is not considered hours worked for the purpose of calculating overtime pay.

If you fail to work scheduled overtime, you may be subject to disciplinary action. If you work overtime without receiving your supervisor's prior authorization, you will be paid for the unauthorized overtime based on actual time worked; however, you will be subject to disciplinary action.

208 VOLUNTARY AND MANDATED PAY DEDUCTIONS

Asset and SWBC PEO are legally required to make certain deductions from every employee's compensation, including deductions for federal, state, and local taxes as appropriate. We are also legally required to deduct Social Security taxes on your earnings up to a maximum amount, which is called the Social Security "wage base." Asset contributes to your Social Security by matching the amount of Social Security taxes deducted from your compensation.

The amount of the deductions will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. If you wish to modify your W-4, complete a new W-4 form obtained from PrismHR at swb.prismhr.com/swb, under Forms and Policies. Check your pay stub to ensure that it reflects the proper number of withholdings and deductions.

Asset and SWBC PEO offer programs and benefits beyond those required by law. You may voluntarily authorize deductions from your paycheck to cover the costs of participation in these programs.

Asset and SWBC PEO are obligated to make the necessary deductions for court-ordered wage assignment or garnishment if they are issued against your wages. Asset and SWBC PEO may charge the employee a fee, as allowed by state law, to administer the garnishment. If allowed by state law, funds an employee may owe to Asset (e.g., a prior loan or a payroll advance) may be deducted from current wages according to the terms and conditions agreed upon at the time of the advance or loan. These terms and conditions cannot violate existing state and federal laws.

209 COMMISSIONS

Commissions are not earned until paid. Commissions will be paid to eligible employees who have met the requirements in accordance with the policy by division and property. To be eligible for commissions, you must be actively employed on the day commissions are paid. Actively employed means that the employee is at work performing his or her job duties and the employee is not on a paid or unpaid leave of absence or furlough. Upon resignation or termination of employment for any reason, all employees will forfeit any unpaid commissions, unless otherwise prohibited by state law.

210 BONUSES

All bonuses are paid at the discretion of the Chief Executive Officer of Asset. No supervisor or manager has the authority to enter into any binding promise to pay a bonus to any employee without the written approval of the Chief Executive Officer of Asset.

211 ON-CALL POLICY

A prompt response to after-hours calls is an important element of providing the best possible service to residents. This policy describes the compensation for all non-exempt employees who are required to be accessible by telephone, cell phone, or pager, at night or on the weekends.

On-Call Schedule: Employees will be assigned an on-call schedule by their supervisors. Generally, on-call assignments will be allocated among employees on a rotating basis. On-call time will not be considered hours worked when employees are free to engage in activities for their own purposes.

On-Call Pay: Non-exempt employees, who are called back to work after completing the regular work schedule and leaving the premises, shall be paid for actual time worked or two hours, whichever is greater. If the situation requires the employee to return to the property, the on-call pay begins immediately upon return to work. Employees who answer telephone calls while on call but do not return to the property will be paid for actual time worked.

Requirements: On-call employees must abide by the following requirements:

1. On-call employees must be accessible at all times while on call and must immediately notify their supervisor if they become inaccessible. Employees who are provided a property owned cell phone should carry it with them while on call. The cell phone is not for personal use.
2. On-call employees who cannot be reached or do not report within one hour of being contacted may be subject to disciplinary action.
3. On-call employees should be properly dressed when responding to an on-call request. A shirt or jacket with the Company/property logo and a photo I.D. (if required) should be kept in the employee's car during on-call hours.
4. When returning to work to answer a call, on-call employees must be free from the influence of drugs or alcohol. Returning to work under the influence will subject the employee to discipline, up to and including termination of employment, even for a first offense.
5. On-call employees should generally respond to a message or page within five minutes, but must respond to a message or page within 15 minutes.
6. On-call employees returning to the property to perform work should normally report to the property within 30 minutes of the call or page and must return no later than 60 minutes.

Recording On-Call Time: Employees must note on their timesheet the time they were called after hours, the time they actually returned for on-call work and the time they left work.

Management Responsibility: Managers should be respectful of employees when deciding whether it is necessary to call them in during off-duty hours. Managers should ensure that employees are paid correctly while on call for all time worked, including time spent answering telephone calls without returning to work and time spent being called-in.

Good judgment should be used to avoid repeatedly calling in employees for short periods and obligating the Company to numerous two-hour blocks of pay for comparatively little time worked. It would be less expensive, more productive, and less disruptive to the employee, to schedule them for an 8-hour shift, than to call them in to work three times during that shift.

SECTION 300 - ABSENCE FROM WORK

301 ATTENDANCE AND PUNCTUALITY

As an employee of Asset, we expect you to be reliable and punctual by reporting for work on time and as scheduled. When you are absent or late, it places a burden on other employees and can impact productivity and service.

Employees are required to be at their property and ready for work at the established start time. Because unplanned absences can be disruptive to work, a poor attendance record or excessive lateness may lead to disciplinary action, up to and including termination of employment.

In the rare instances when you cannot avoid being late or are unable to work as scheduled, be sure to:

- Notify your supervisor 30 minutes prior to the start of your shift.
- Give two days' advance notice of any scheduled medical appointments, or as much advance notice as possible.

Text messages or e-mail messages are acceptable. Messages left with the answering service are not acceptable. Employees who are absent for three consecutive days due to an illness or injury should have a doctor's note in order to return to work. Unreported absences to the supervisor will be considered unexcused.

An absence of one day, without appropriate notification, is a no call no show and constitutes job abandonment and a voluntary resignation of employment.

302 MOONLIGHTING

Employment with Asset should be your primary job. Moonlighting occurs when an Asset employee works for another company or is self-employed. Employees who intend to engage in outside employment or self-employment should notify Asset's Human Resources Department and obtain prior written permission before moonlighting. In most instances, permission will be granted when the outside employment or self-employment does not create a conflict of interest, create a hardship, or negatively affect an employee's work at Asset.

Asset has no intention of intruding on employees' personal lives; however, moonlighting can impact an employee's job performance, punctuality, loyalty, or ability to fulfill his or her job responsibilities with Asset. In many cases, outside employment can result in increased workplace accidents, lower productivity, increased absenteeism, and health problems. Employees are prohibited from moonlighting while on a leave of absence. Service in the military is not considered moonlighting.

An employee engaged in moonlighting without permission will be in violation of this policy and may be subject to disciplinary action, up to and including termination of employment. Approval of any outside employment may be withdrawn by Asset, if, in its judgment, such withdrawal is advisable.

303 FAMILY AND MEDICAL LEAVE (FMLA LEAVE)

Two types of leave are available to eligible employees: basic 12-week leave entitlement (Basic FMLA Leave) and military family leave entitlement (Military Family Leave). Employees also may be eligible for additional leave under state or local law. To find out about the availability of state leave, please contact Asset's Human Resources Department or your SWBC PEO human resources specialist.

Eligibility for FMLA Leave

Employees are eligible for FMLA leave if they:

1. Have worked for Asset for at least 12 months; and
2. Have worked at least 1,250 hours during the 12 calendar months immediately preceding the request for leave.

The 12 months of service need not be consecutive. Employment before a break in service of seven years or more will not be counted, however, all absences from work due to or necessitated by covered service under the Uniformed Services Employment and Reemployment Rights Act ("USERRA") is counted in determining an employee's eligibility for FMLA leave.

Basic FMLA Leave

Employees who meet the eligibility requirements described above are eligible to take up to 12 weeks of unpaid leave during any 12-month period for any one, or for a combination, of the following reasons:

1. To care for the employee's son or daughter during the first 12 months following birth;
2. To care for a child during the first 12 months following placement with the employee for adoption or foster care;
3. To care for a spouse, son, daughter or parent ("covered relation") with a serious health condition;
4. For incapacity due to the employee's pregnancy, prenatal medical or child birth; or
5. Because of the employee's own serious health condition that renders the employee unable to perform an essential function of his or her position.

Married Couples

If both spouses are employed by Asset, the spouses together may take a combined total of 12 weeks' leave during any 12-month period for reasons 1 and 2, or to care for the same individual pursuant to reason 3.

Military Family Leave

There are two types of Military Family Leave available:

1. **Qualifying exigency leave.** Eligible employees may be entitled to use up to 12 weeks of their Basic FMLA Leave entitlement to address certain qualifying exigencies. Eligible employees are allowed to take exigency leave for a qualifying exigency arising in relation to an employee's spouse, son, daughter or parent who is on active duty or who has been notified of an impending call to active duty status in the Armed Forces (including the National Guard or the Reserves) in a foreign country.

Qualifying exigencies may include:

- Short-notice deployment (up to seven days of leave)
- Attending certain military events
- Arranging for alternate child care
- Parental care leave
- Addressing certain financial and legal arrangements
- Periods of rest and recuperation for the service member (up to 15 days of leave)
- Attending certain counseling sessions
- Attending post-deployment activities (available for up to 90 days after the termination of the covered service member's covered active duty status)
- Other activities arising out of the service member's covered active duty or call to active duty as agreed on by Asset and the employee.

2. **Leave to care for a covered service member.** Employees who meet the eligibility requirements for FMLA leave may take up to 26 weeks of leave during any single 12-month period if the employee is the spouse, son, daughter, parent, or next of kin caring for a covered military service member or veteran recovering from an injury or illness.

A "covered service member" means a member of the armed forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on a temporary disability retired list, for a serious injury or illness; or a covered veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness and who was a member of the armed forces, the National Guard, or the Reserves at any time during the period of 5 years preceding the date on which the eligible employee takes FMLA leave to care for the covered veteran.

A "serious injury or illness" means:

For a member of the armed forces, National Guard, or Reserves, an injury or illness that was incurred by the member in the line of duty on active duty in the armed forces (or that existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty in the armed forces and that may render the member medically unfit to perform the duties of the member's office, grade, rank, or rating.

For a covered veteran an injury or illness means an injury or illness that was incurred or aggravated in the line of duty on active duty in the armed forces, National Guard, or Reserves, and manifested itself before or after the individual became a veteran, and is:

1. A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the service member unable to perform the duties of the service member's office, grade, rank, or rating; or
2. A physical or mental condition for which the covered veteran has received a VA Service Related Disability Rating ("VASRD") of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; or
3. A physical or mental condition that substantially impairs the veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would do so absent treatment; or
4. An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

Married Couples

When both spouses work for Asset, the aggregate amount of leave that can be taken by both spouses to care for a covered service member is 26 weeks in a single 12-month period.

Calculating the FMLA Leave Entitlement

The 12-month period for determining the amount of FMLA leave is based on a "rolling" 12-month period that measures backward from the date of the leave. Any FMLA leave taken during the preceding 12-month period will be used to determine the amount of available FMLA leave. For example, if an employee used four weeks of leave beginning on February 1, 2014, four weeks of leave beginning June 1, 2014, and four weeks of additional leave on December 1, 2014, the employee would not be entitled to any additional leave until February 1, 2015. On February 1, 2015, the employee would be entitled to four weeks of leave, and on June 1, 2015, the employee would be entitled to an additional four weeks, etc.

Use of Leave

An employee does not need to use his or her leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for a planned medical treatment so as not to unduly disrupt the employer's operations. Military Family Leave due to a qualifying exigency may also be taken on an intermittent basis.

Leave may not be taken on an intermittent basis when used to care for the employee's own child during the first year following birth, or to care for a child placed with the employee for foster care or adoption, unless both Asset and the employee agree to intermittent leave.

Employees are not required to take more intermittent or reduced scheduled leave than necessary to address the circumstances that precipitated the need for leave and only that FMLA leave actually used will be counted against an employee's FMLA entitlement.

Moonlighting During FMLA Leave

Asset prohibits employees from engaging in employment with another employer or from providing services for compensation ("moonlighting") without prior written authorization from Asset's Human Resources Department. Employees engaging in moonlighting while on a leave of absence in violation of this policy are subject to termination from employment. The moonlighting limitations do not apply to employees engaged in military service while on approved FMLA leave.

Pay, Benefits, and Protections During FMLA Leave

Leave is Unpaid

FMLA leave is unpaid leave (although employees may be eligible for short or long-term disability payments and/or workers' compensation benefits under those insurance plans). Employees do not accrue PTO and do not receive pay for any holidays falling during the period of unpaid leave, unless otherwise required by state or local law.

Substitution of Paid Time Off for Unpaid Leave

Employee must substitute accrued paid leave for unpaid FMLA leave, if any. The substitution of paid leave for unpaid leave does not extend the 12-week leave period. Furthermore, the substitution of paid leave for unpaid leave cannot result in the receipt of more than 100 percent of an employee's salary. An employee's FMLA leave runs concurrently with other types of leave (i.e. Paid Sick Leave, PTO or paid leave under state law).

For leave to care for a seriously injured or ill family member in the military, an employee may substitute paid leave time for unpaid FMLA leave. The same rules apply as if the employee took leave for his or her own serious health condition. Asset will not provide paid leave in any situation in which it would not normally provide such paid leave.

Concurrent Leave

In some instances, employees who are on FMLA leave because of their own serious health condition may also qualify for workers' compensation benefits, short-term disability benefits, or other types of paid leave or safe time leave under state or local law. These leaves of absence will all run concurrently with FMLA leave, unless otherwise prohibited by state or local law.

Medical and Other Benefits

During an approved FMLA leave (of up to 12 weeks), Asset will maintain the employee's health benefits as if the employee continued to be actively employed. If paid leave is substituted for unpaid family medical leave, Asset will deduct the employee's portion of the premium as a regular payroll deduction. If the leave is unpaid, the employee must pay his or her share of the premium through the SWBC PEO Human Resources Department.

Benefits that accrue monthly, such as personal leave (PTO), do not accrue during periods of FMLA leave. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

An employee's health care coverage will cease if the employee's premium payment is more than 30 days late. If the payment is more than 15 days late, the Company will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date. If the employee does not return to work within 30 calendar days at the end of the leave period, the employee will be required to reimburse the Company for the cost of the premiums paid by the Company for maintaining coverage during the unpaid leave, unless the employee cannot return to work because of a serious health condition or other circumstances beyond the employee's control.

Return to Job at the End of FMLA Leave

Upon return from FMLA leave, eligible employees will be restored to their original or equivalent pay, benefits, and other employment terms and conditions of employment unless the employee's former position was eliminated due to a reduction in force, restructuring or other job elimination that was unrelated to the employee's leave.

Those employees defined as "key employees" under the FMLA may be denied reinstatement at Asset's discretion and will be notified of such at the time leave is requested or as soon as a determination can be made by the Company that reinstatement of such "key employee" will result in substantial and grievous economic injury to operations.

Employee Responsibilities when Requesting FMLA Leave

If the need to use FMLA leave is foreseeable, the employee must give the Company at least 7 days' prior notice of the need to take leave, or as early as possible. When 7 days' notice is not possible, the employee must give notice as soon as practicable (within 1 or 2 business days of learning of the need for leave except in extraordinary circumstances where such notice is not feasible). Failure to provide such notice may be grounds for delaying the start of the FMLA leave.

Whenever possible, request for FMLA leave should be submitted to Asset's Human Resources Department or your SWBC PEO human resources specialist using the Request for Family/Medical Leave form available from Asset's Human Resources Office or your SWBC PEO human resources specialist.

If the need for leave is not foreseeable, employees are required to provide as much notice as soon as practicable under the facts and circumstances of the case. An employee requiring unforeseeable leave must, absent extraordinary circumstances, call his or her direct supervisor and provide sufficient information regarding the employee's need for leave to support a request for FMLA leave. It generally should be practicable for the employee to provide notice of leave within 1 business day.

When submitting a request for leave, the employee must provide sufficient information for Asset to determine if the leave might qualify as FMLA leave, and also provide information on the anticipated date when the leave would start as well as the duration of the leave. Calling in sick is not sufficient. Sufficient information may include that the employee is unable to perform job functions; that a family member is unable to perform daily activities; that the employee or family member needs hospitalization or continuing treatment by a health care provider; or the circumstances supporting the need for military family leave. Employees must also inform Asset if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees will also be required to provide a certification and recertification supporting the need for leave.

Medical Certification

Within 15 calendar days of the request, an employee who takes leave for his or her own or a family member's serious health condition, or to care for a covered service member, must submit medical certification to SWBC PEO detailing the reason(s) for the leave. If you fail to do so, Asset may delay the start of the requested leave, withdraw any designation of the requested leave as FMLA leave, or deny the requested leave, and consider time taken off subject to the Company's established absenteeism and tardiness policies.

If your medical certification is incomplete and/or insufficient, SWBC PEO may notify you in writing as to what is incomplete and/or insufficient. You will then have 7 calendar days to resubmit the medical certification. Failure to provide a complete and sufficient certification by the date required may result in the denial of the requested FMLA leave. When returning to work after being on leave for your own serious health condition, you will be required to provide a medical release, with or without restrictions.

Employees should not provide any genetic information when responding to a request for medical information. "Genetic information" includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or individual's family member or an embryo lawfully held by an individual or family member receiving reproductive services.

Reporting While on Leave

If an employee takes leave because of the employee's own serious health condition or to take care of a covered relation, the employee must contact the Company on the first and third Tuesday of each month regarding the status of the condition and his or her intention to return to work. In addition, the employee must give notice as soon as practicable (within 2 business days, if feasible) if the dates of the leave change, are extended, or were unknown initially.

Intermittent and Reduced-Schedule Leave

Leave because of a serious health condition, or either type of family military leave may be taken intermittently (in a separate block of time due to a single health condition) or on a reduced-scheduled leave (reducing the usual number of hours worked per workweek or workday) if medically necessary. If leave is unpaid, the Company will reduce the employee's salary based on the amount of time actually worked. In addition, while an employee is on intermittent or reduced-scheduled leave, the Company may temporarily transfer the employee to any available alternate position that better accommodates the recurring leave and that has equivalent pay and benefits.

Workers' Compensation and Family and Medical Leave

If you are eligible for FMLA and are on leave due to a workers' compensation injury that meets the definition of "serious health condition," the absence will count towards your family and medical leave. You may be asked to provide a medical certification form to determine if your workers' compensation injury meets the definition of a serious health condition.

Questions about Family and Medical Leave

If you have any questions about your rights or responsibilities under this policy, contact SWBC PEO at (830) 980-1200. Asset and SWBC PEO will comply with all applicable federal, state and local laws in administering this policy.

304 MILITARY LEAVE

General Leave and Reemployment Rights

Military leaves of absence are granted to employees who enlist for up to five years of active duty in the United States military or who miss work because of Reserve or National Guard training or a call-up to active duty. The Company is committed to protecting the job rights of employees absent on military leave.

Notification of Absence

Employees who are absent because of military obligations should request military leave as far in advance as possible.

"Qualifying Exigency" Leave Certification

Within 15 calendar days of a request for qualifying exigency leave, the employee must submit written certification detailing the reason(s) for leave to SWBC PEO. You may also be required to submit appropriate supporting documentation, such as a copy of the covered military member's active duty orders or other military documentation indicating the appropriate military status and the dates of active duty status.

Pay During Leave

While absent on military leave, employees remain in good standing, but do not receive pay. Employees do not receive pay for any holidays falling during the period of their absence. However, exempt salaried employees are paid in full for any week during which they are called on to perform some work.

Health Plan Coverage During Leave

During an unpaid military leave of absence, Asset continues to subsidize an employee's group health care benefits for up to 30 days, if applicable. Employees absent on military leave for 31 days or longer are eligible for family health benefit coverage from the military. They also can arrange to continue their coverage under the Company's group health plan for up to 24 months. Employees opting for continued coverage under the Company's health plan are responsible for paying 102 percent of the premium cost.

Impact of Leave on Other Benefits

Employees on military leave do not accrue PTO or holiday pay. However, the time off counts toward an employee's length of service for purposes of determining the rate at which employees earn PTO after returning, if applicable. Similarly, for purposes of determining benefits and pay when employees return from leave, time spent on military leave counts as service with the Company.

Use of Accrued PTO

Employees who have PTO available may choose to use their PTO during a military leave of absence; however, they are not required to do so.

305 OTHER ABSENCES

Eligible employees may be granted time off with or without pay as defined below for personal needs, civic duty, and other personal reasons. The leave may be paid or unpaid depending upon your eligibility for PTO.

Personal Absence

- **Bereavement Leave (Employee's Immediate Family)**

In the event that you need time off due to the death of an immediate family member, Asset provides up to three (3) days of paid leave to eligible employees. Factors to be considered in determining the amount of paid time include your direct responsibilities in making the arrangements and care for other family members, location, travel, etc. To be eligible for bereavement leave under this policy, the employee must regularly work at least 30 hours per week.

For this purpose, "immediate family" is defined as your spouse, domestic partner, parent, grandparent, child, sibling; your spouse's parent, grandparent, child or sibling; or a relative who is a member of your household.

If you are eligible for bereavement leave under state law, the state law bereavement leave will run concurrent to the bereavement leave under this policy. Immediate family may be defined differently under state law bereavement leave.

Civic Duty

- **Jury Duty**

You are encouraged to fulfill your civic responsibilities when called upon to do so. Employees who regularly work at least 30 hours per week will be eligible for three (3) days of paid jury duty leave. Paid leave for jury duty will be compensated at your base rate of pay for the number of hours you would normally have worked that day and will have no adjustment made for payment received from the court. However, you are expected to report for work whenever the court schedule permits.

If you remain on jury duty beyond the period of paid jury duty leave, you may use any available paid time off (PTO) or request an unpaid jury duty leave of absence.

If you receive a jury duty summons, show it to your supervisor as soon as possible so that arrangements can be made to accommodate your possible absence from work. Asset may request you be excused from jury duty if we believe that your absence would cause serious operational difficulties for the Company.

- **Time Off to Vote**

Asset encourages you to fulfill your civic responsibilities by voting in local, state, and national elections. Generally, we expect that you will be able to vote either before or after work hours. If you need accommodations during working hours, please notify your supervisor in advance so appropriate arrangements can be made. Voting leave will be provided as required by state law.

- **Court Appearance (Other Than Jury Duty)**

Within legal requirements, employees may be granted time off when summoned or requested to testify in court. Time off for court appearances may be subject to utilization of any available paid time off (PTO).

In order to make arrangements for the time off, you must show the subpoena to your supervisor as soon as you receive it. When serving as a witness, you are expected to report to work whenever you are not needed in court.

Job Protected Leave

Depending on state or local law as well as the circumstances surrounding your absence, you may be eligible for additional job protected leave, which may be paid or unpaid, depending upon state or local law. Some of the circumstances which may qualify for job protected leave include, but are not limited to: your own illness, the illness of a family member, you or a family member are a victim of domestic violence or the victim of a crime, you need a leave of absence to attend your child's school activity or conference, or you are a volunteer firefighter. If state or local law provides you with safe time or sick time leave you will receive a written policy outlining the leave available to you at your location. If you have questions concerning a leave of absence, please contact Asset's Human Resources Department.

SECTION 400 – WORK CONDITIONS

401 SAFETY

Safety is a top priority for Asset and SWBC PEO. You are expected to obey all safety rules and use caution in your work activities. The success of the safety program depends on the alertness and personal commitment of everyone. Below are some examples of general safety rules. Other safety procedures may be posted at your worksite location.

- Avoid overloading electrical outlets with too many appliances or machines.
- Use flammable materials with caution.
- Walk—don't run.
- Use stairs one at a time.
- Ask for assistance when lifting or moving heavy objects.
- Smoke only in designated areas.
- Keep cabinet, file, and desk drawers closed when not in use.
- Never empty an ashtray into a wastebasket or open receptacle.
- Sit firmly and squarely in chairs which roll or tilt.
- Use appropriate safety equipment, as required in your work.
- Avoid "horseplay" and practical jokes.
- Start work on any machine only after safety procedures or requirements have been explained and you understand them.
- Keep your work area clean and orderly and all aisles clear.
- Stack materials only to safe heights.
- Watch out for the safety of fellow employees.
- Use the right tool for the job, and use it correctly.
- Operate motorized equipment only if authorized by your supervisor.

Immediately report any unsafe condition to the appropriate supervisor. All reports can be made without fear of retaliation. Reports may also be made anonymously. Employees who violate safety standards, cause hazardous or dangerous situations, fail to report or, where appropriate, fail to remedy such situations, may be subject to disciplinary action, up to and including termination of employment, even for a first offense.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor or bring them to the attention of Asset or SWBC PEO.

In the case of an accident that results in an injury, regardless of how insignificant the injury may appear, you should immediately notify the appropriate supervisor. Prompt reporting can ensure legal compliance and quick initiation of insurance and workers' compensation benefits procedures.

402 WORKERS' COMPENSATION INSURANCE

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your supervisor and/or Asset's Human Resources Department or SWBC PEO. If you or another employee is seriously injured, contact outside emergency response agencies. No matter how insignificant an injury may seem at the time of occurrence, you are to notify a supervisor or Asset's Human Resources Department or SWBC PEO immediately of any workplace accident or injury.

The federal Occupational Safety and Health Act (OSHA) requires that we keep records of all illnesses and accidents that occur during the workday. Employees are required to report any workplace illness or injury, no matter how slight. OSHA also provides for your right to know about any health hazards that might be present on the job. Should you have any questions or concerns, contact your supervisor or Asset's Human Resources Department and/or SWBC PEO for more information.

Workers' compensation insurance coverage is provided by SWBC PEO's workers' compensation carrier in most states, with the exception of Washington, Wyoming, and North Dakota where coverage is provided by a state fund. Questions regarding workers' compensation insurance coverage should be directed to your supervisor or the SWBC PEO Workers' Compensation Department at (830) 980-1200.

403 USE OF EQUIPMENT AND VEHICLES

Equipment and vehicles essential in accomplishing job duties are expensive and difficult to replace. When using Company property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. Employees should notify their supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

Asset equipment is not for personal use and should never be removed from the property.

Employees are prohibited from possessing, storing, drinking, using, or being under the influence of alcohol, narcotics or illegal drugs while operating Company vehicles, or operating any vehicle on Company business.

Safe operation of any vehicle in the performance of Asset business is the responsibility of the driver. Employees are prohibited from using their cell phones to text or connect to the Internet while driving on Asset business. The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, may result in disciplinary action, up to and including termination.

404 ENTERING PRIVATE UNITS

It is the policy of Asset that staff shall not enter a resident's unit or bedroom without prior permission from the resident, or without prior notification to all residents in the unit that entry is scheduled to occur. Employees should abide by the following policies when entering a resident unit or bedroom:

1. For the performance of a work order, entry is permitted as long as the resident has checked the box authorizing entry on the work order request form. Prior to entry, staff members should inform all residents of the pending reason for entry. If the resident has not checked the box authorizing entry, then it will be necessary to call ahead to schedule the entry.
2. At all times staff members should announce themselves loudly and clearly before entering a unit or a closed bedroom door. Staff should knock loudly a minimum of 3 separate times, announcing themselves through the door by speaking clearly "Management" or "Maintenance" between each series of knocks and waiting a respectable amount of time to see if the door will be answered.
3. When opening or unlocking a door when it remains unanswered after 3 series of knocks, the staff person should slowly open the door and once again announce themselves before stepping into the unit or bedroom. Under no circumstances should a staff member enter a unit without attempting first to alert occupants inside that the unit is about to be entered.
4. In the event of a planned inspection of the unit, notices should be sent at least 48 hours in advance to alert residents of the planned entry. All entry protocol, as described above, must be followed, even with advanced notice.
5. The only time a staff member is permitted entry without following this protocol is in extreme emergency situations – fire, flood, or feared loss of life. In the event this should occur, the staff member will have called 911 for assistance prior to entering the unit.
6. During Turn, or when contractors and vendors might be entering units for an extended period of time, staff are required to provide residents with a 48-hour notice of the time period in which staff will be entering the unit.
7. In any event, if the person answering the door appears to be under the age of 18, ask the person if an adult is home. If an adult is not present, do NOT enter the unit. Instead, ask when an adult will be home and try to return during that time to complete the work.
8. If you find a resident at home who is sleeping, taking a shower, in the bathroom, or a similar situation where they are not available/ready for you to enter the unit, apologize to the resident, leave the apartment, and try to return during another time to complete the work.
9. Under no circumstance should any employee enter a unit at will without following the protocol above. Employees who violate this policy and enter a unit without proper notice are subject to disciplinary action, up to and including immediate termination of employment, even for a first offense.

405 NO CASH POLICY

Property level employees are prohibited from accepting cash from residents. Employees should politely explain to any resident offering cash that the employee is not authorized to accept cash, and the resident should follow the payment methods outlined in his or her lease. Employees who violate this policy may be subject to disciplinary action, including termination of employment, even for a first offense.

406 LACTATION BREAK

Asset will provide a reasonable amount of break time, or amount of time required by state law, to accommodate a female employee's need to express breast milk for the employee's infant child for up to one year following the child's birth, or as required by law. The break time should, if possible, be taken concurrently with other break periods already provided. Employees should clock out for time taken for 30 minutes or more that does not run concurrently with normally scheduled break periods. Asset will provide the employee with the use of a room or other location in close proximity to the employee's work area, other than a restroom, where the employee may express milk in private. Speak with your supervisor should arrangements for a refrigerator be required.

You should notify your immediate supervisor if you are requesting time to express breast milk under this policy.

407 BULLETIN BOARDS/POSTINGS

- Bulletin boards are typically located in common areas such as break rooms or near rest areas. Some bulletin boards may be virtual in nature and accessible via the Company intranet.
- Bulletin boards are intended for required government postings, as well as official, approved Company notices and announcements. Employees should not post or remove these items from the bulletin board.

SECTION 500 - EMPLOYEE CONDUCT

501 EMPLOYEE CONDUCT AND WORK RULES

To ensure orderly operations and provide the best possible work environment, we expect you to follow rules of conduct that will protect the interests and safety of all employees, Asset, and SWBC PEO. Although it is not possible to list all the forms of behavior that are considered unacceptable at work, the following are some examples of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of property.
- Falsification of time cards or any other Company record.
- Working under the influence of alcohol or illegal drugs.
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on regular or on-call duty, or while operating employer-owned vehicles or equipment.
- Fighting or threatening violence in the workplace.
- Disruptive activity in the workplace.
- Careless, improper, or neglectful use of employer-owned or customer-owned property, whether or not the conduct leads to damage.
- Insubordination or other disrespectful conduct, or refusal to perform tasks assigned by a supervisor without proper justification.
- Violation of safety or health rules.
- Use of tobacco (including e-cigarettes) in prohibited areas.
- Sexual or other unlawful or unwelcome harassment.
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace.
- Sleeping during working hours.
- Frequent or excessive absenteeism or any absence without notice.
- Unauthorized absence from work station during the workday.
- Unauthorized use of telephones, mail system, Company computers including the internet, or other employer-owned equipment.
- Unauthorized disclosure of business "secrets" or Confidential Information.
- Using abusive, profane, or threatening language.
- Supplying false or misleading information.
- Failure to report immediately any injury sustained in connection with work.
- A general disregard for policies and procedures.
- Unsatisfactory performance or conduct.

See Policy #509 Business Ethics and Conduct for additional rules of conduct while employed by Asset and SWBC PEO.

Any employee who is convicted of a felony or a misdemeanor involving moral turpitude (acts involving dishonesty, fraud, deceit, or deliberate violence) while employed with Asset must immediately notify Asset's Human Resources Department.

502 PERSONAL APPEARANCE/DRESS CODE

It is in everyone's best interest for Asset employees to present a professional business image to customers, visitors, residents, and the public. Your dress, hairstyle, grooming and personal cleanliness standards all contribute to that image. A neat, clean, businesslike appearance is a requirement for all jobs. Employees are expected to dress in a manner consistent with good hygiene, safety and good taste. The mode of dress varies in accordance with the type of work performed.

You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true if your job involves dealing with visitors or residents in person. Without unduly restricting individual tastes, the following personal appearance guidelines should be followed:

- Shoes should be appropriate for work. This means no flip flops, slippers, rain boots, or sneakers (TOMS often fall into this category).
- Shirts and pants should be appropriate for work. No t-shirts (including logo/souvenir t-shirts), no thin strapped tank tops. Sleeveless shirts may be worn but should look professional and have a wider strap. Collared polo shirts are acceptable. All clothing should be clean and wrinkle free. Jeans/denim of any color may not be worn.
- Skirts should be an appropriate length (mid-thigh is not appropriate for an office).
- Leggings or tights are only appropriate when worn under an appropriate length skirt or dress and should not be substituted for pants.
- Midriff bearing clothing is not permitted. Nor are halter tops or any other clothing that bears shoulders.
- Facial jewelry, such as eyebrow rings, nose rings, lip rings, and tongue studs, are not professionally appropriate and must not be worn during business hours.
- Torso body piercing with visible jewelry or jewelry that can be seen through or under clothing must not be worn during business hours.
- Face tattoos should be covered at all times by makeup or other methods. Additionally, offensive tattoos on any part of the body must be covered by makeup, clothing, or shoes.

If your property provides monogrammed shirts or uniforms, you will be advised by your supervisor. Some employees may be required to wear a photo ID while at work.

If your supervisor feels your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, you will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance.

503 WORKPLACE VIOLENCE

Asset and SWBC PEO are committed to preventing workplace violence and to maintaining a safe work environment. We have adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that might occur during business hours or on our premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Asset prohibits the possession on Company property of any type of firearm, weapon, explosive, ammunition, and/or any other dangerous or hazardous device without proper authorization. A violation of this policy is grounds for immediate termination of employment.

Asset will not tolerate conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods. All threats of (or actual) violence, either direct or indirect, should be reported as soon as possible to your supervisor or any other member of management. This includes threats by employees as well as threats by customers, vendors, solicitors, or anyone else. When reporting a threat of violence, you should be as specific and detailed as possible.

Be sure to report any suspicious person or activities as soon as possible to a supervisor. Do not place yourself in danger. If you see or hear a commotion or disturbance near your work area, do not try to intercede or see what is happening.

We will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the person who made the report will be protected to the extent practical. To maintain workplace safety and the integrity of its investigation, Asset/SWBC PEO may suspend an employee, either with or without pay, pending investigation.

Any person who violates these guidelines will be subject to disciplinary action, up to and including termination of employment. Violations include making a threat of violence or actually committing a violent act.

If you are having a dispute or differences with another employee, we encourage you to discuss it with your supervisor before the situation escalates into potential violence. Asset and SWBC PEO are eager to assist in the

resolution of employee disputes and we will not discipline an employee for raising these types of concerns.

504 SECURITY INSPECTIONS

Asset and SWBC PEO reserve the right to conduct inspections or searches to monitor compliance with rules, safety of employees, security of property, drugs and alcohol and possession of other prohibited items. Prohibited items include illegal drugs, alcoholic beverages, weapons, any items of obscene, harassing, demeaning or violent nature, and any property in the possession or control of an employee who does not have authorization from the owner of such property to possess or control the property. Asset may search employees, their work areas, lockers, personal vehicles if driven or parked on Asset property, and other personal items such as bags, purses, briefcases, backpacks, lunchboxes, and other containers. In requesting such a search, Asset is not accusing anyone of theft, some other crime, or any other variety of improper conduct.

There is no general or specific expectation of privacy in the workplace, either on Asset property or while on duty. Employees should assume that what they do while on duty or on Asset property is not private. All employees and all of the areas listed above are subject to search at any time, without notice, and with or without the employee being present. Employees who are provided with a locker or locking drawer should use the key issued by Asset. Employees who use his or her own lock for any desk, drawer, or other storage container in the workplace must provide Asset with a copy of the key or lock combination. All locked desks, drawers, or containers remain subject to search under this policy.

Supervisors will contact Asset's Human Resources Department prior to authorizing a search. No employee will ever be physically forced to submit to a search; however, refusal to submit to a request for a search may result in disciplinary action, up to and including termination.

505 SURVEILLANCE AND MONITORING

Asset uses surveillance and monitoring equipment to ensure the security and safety of employees and Asset property and to ensure compliance with guidelines and policies. All employees are subject to surveillance and monitoring. If you have any questions about surveillance equipment at your worksite, please contact Asset's Human Resources Department.

506 DRUG AND ALCOHOL TESTING

Asset is committed to providing a safe, healthy, and efficient working environment for its employees and those who do business with Asset, and to protect its reputation in the community. To help achieve this goal, employees are prohibited from:

- Possessing, distributing, selling, manufacturing, or being under the influence of any substance (other than alcohol) that has known mind function altering effects on a person, including substances prohibited or controlled by federal or state controlled substances laws;
- Consuming alcoholic beverages at the workplace, in Company vehicles, or while on Company business or time; and
- Abusing inhalants or prescription drugs or possessing prescription drugs that have not been prescribed for the employee.

As a condition of continued employment, all employees must report to work free from any impairment caused by the presence of illegal drugs or alcohol. A drug is an illegal drug if federal or state law prohibits its use. Use of some drugs is detectable for several days. Detection of such drugs or the presence of alcohol will be considered being "under the influence." This does not prohibit employees from the lawful use and possession of prescription medications. Employees, however, should consult with their medical provider about the medications' effect on their fitness for duty and ability to work safely. Employees must promptly disclose any work restrictions to their supervisor.

Additional information is provided in a separate policy outlining Asset's substance abuse testing program. Please review that policy carefully. You will be required to acknowledge receipt of the policy as a condition of employment. Any questions concerning this policy should be directed to Asset's Human Resources Department.

507 ELECTRONIC COMMUNICATIONS POLICY

Asset may provide employees with Internet access to help them do their jobs. This policy explains our guidelines for using Asset equipment to connect to the Internet. Internet use should be job-related.

All Internet data that is composed, transmitted, or received via our computer systems is considered to be part of our official records. This means that it is subject to disclosure to law enforcement or other third parties. Therefore, you should always make sure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology that you use to access the Internet are always the property of Asset. Therefore, Asset reserves the right to monitor e-mail usage and Internet traffic. We also reserve the right to retrieve and read any data that is composed, sent, or received through our online connections or is stored in our computer systems.

We do not allow data that is composed, transmitted, accessed, or received via the Internet to contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person.

Examples of unacceptable content include (but are not limited to) sexual comments or images, racial slurs, gender-specific comments, or other comments or images that could reasonably offend someone on the basis of race, age, sex, religious creed, national origin, disability, sexual orientation, or any other characteristic protected by law. Asset's communication systems shall not be used to promote religious or political causes, or an illegal activity.

Asset does not allow the unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet. As a general rule, if you did not create the material, do not own the rights to it, or have not received authorization for its use, you may not put the material on the Internet.

To protect against computer viruses, you may not download any file from the Internet without prior authorization from your supervisor. Employees whose Internet and e-mail usage violates laws or Asset policies are subject to disciplinary action, up to and including termination of employment. Employees also may be personally liable to individuals damaged as a result of the employee's violation of this policy.

The following are examples of some prohibited activities which will result in disciplinary action:

- Dissemination or printing of copyrighted materials, including articles and software, in violation of copyright laws.
- Sending, receiving, printing or otherwise disseminating proprietary data, trade secrets or other confidential information of Asset or its affiliates in violation of Company policy or proprietary agreements.
- Using offensive or harassing statements or language, including disparagement of others based on their race, national origin, sex, sexual orientation, age, disability, religious creed, or any other characteristic protected by local, state, or federal law.
- Sending or soliciting sexually oriented messages or images.
- Sharing content on Asset Living social or internal forums that is unrelated, distracting, or offensive in any manner.
- Operating a business, usurping business opportunities, soliciting money for personal gain or searching for jobs outside Asset.
- Sending chain letters or e-mails.
- Gambling or engaging in any other activity in violation of local, state, or federal law.
- Use or unauthorized disclosure of another individual's password, without their authorization.

Nothing in this policy or this handbook should be construed to prohibit employees from discussing the terms and conditions of their employment or any other activity protected under applicable federal, state, or local laws.

508 SOCIAL NETWORKING POLICY

Whether or not you choose to participate in a blog, wiki, online social network, or any other form of online publishing or discussion is your own decision. You should use professional judgment when using social networking and you will be held responsible for all postings relating to the Company, its clients and other business relationships. Employees are cautioned that they should have no expectation of privacy while using the Internet. These guidelines are intended to help you make appropriate decisions.

You should behave cautiously and prudently online, just as you would in person. Social networking and blogging activities should not interfere with work commitments, or violate any policies within this handbook including, but not limited to, the Prohibited Harassment policy and Workplace Threats & Violence policy. You should not defame Asset or its clients, employees or vendors, or violate the privacy of Asset, its clients, employees or vendors by communicating privileged information via social network channels, including, but not limited to, video or wiki postings, sites such as Facebook, Twitter, LinkedIn, Instagram, YouTube, TikTok, chat rooms, personal blogs or other similar forms of online journals, diaries or personal newsletters not affiliated with Asset. The absence of, or lack of explicit reference to a specific site does not limit the extent of the application of this policy. Please keep the following guidelines in mind as you participate on social networking web sites:

1. Before participating in any online community, understand that anything posted online is available to anyone in the world. Any text or photo placed online is completely out of your control the moment it is placed online – even if you limit access to your site.
2. You should not post information, photos, or other items online that could reflect negatively on you, your family or the Company. Your actions captured via images, posts, or comments can reflect on the reputation of Asset and SWBC PEO. You are responsible for presenting a professional image of yourself as it relates to your position with the Company.
3. Respect your audience. If you accept as friends, co-workers or vendors, do not use ethnic slurs, personal insults, obscenity, or engage in any conduct that would not be acceptable in the workplace.
4. If you publish content to any website related to the work you do or related to Asset or SWBC PEO, use a disclaimer, such as: “The postings on this site are my own and do not necessarily represent the Company’s positions, strategies, or opinions.”
5. Do not publish private confidential information about others in the Asset community or about the Company.
6. Make sure that your online activities do not interfere with your job duties or commitments to others in the Asset community and SWBC PEO.
7. Do not reference or cite other employees in the Asset community/SWBC PEO without their express consent.
8. If operating one of Asset’s social media accounts, please respect copyright laws, and reference or cite sources appropriately. Plagiarism applies online as well.
9. Asset/SWBC PEO logos and trademarks may not be used without written consent from Asset/SWBC PEO.

This policy is not intended to be all encompassing. The absence of or lack of an explicit reference does not limit the extent or application of this policy. Where no policy or guideline exists, use your professional judgment, and take the most prudent action possible. Consult with your supervisor if you are uncertain.

Remember that there are always consequences to what you publish online. If you are even the slightest bit uncomfortable about something you are about to publish, review the guidelines above and think about why you are uncomfortable. If you are still unsure, and it is related to Company business, feel free to discuss it with your supervisor. Ultimately, however, you have sole responsibility for what you post to a blog or publish in any form of online social media.

The following conduct is prohibited under this policy, and violations may result in disciplinary action, up to and including termination of employment:

- Violating the confidentiality of Asset or placing any unauthorized information about Asset/SWBC PEO online.
- Publishing any disparaging, negative, or defamatory statement about Asset/SWBC PEO.

- Violating the provisions of Asset’s policies against discrimination, sexual harassment or other unlawful harassment.
- Working on or updating one’s personal social networking site during work time.
- Posting inaccurate or false information about Asset/SWBC PEO.

The Company reserves the right to monitor, review, or block content on Company social media sites, Company web sites and Company blogs if it violates Company rules and guidelines. The malicious use of blogs and online social networks, including derogatory language about any member of the Asset community; demeaning statements about or threats to any third party; incriminating photos or statements depicting hazing, sexual harassment, vandalism, stalking, underage drinking, illegal drug use, or any other inappropriate behavior, may result in disciplinary action, up to and including immediate termination of employment.

Violation of the social networking policy may result in disciplinary action, up to and including termination.

Nothing in this policy or this handbook should be construed to prohibit employees from discussing the terms and conditions of their employment or any other activity protected under applicable federal, state, or local laws.

Ignorance of these policies does not excuse employees from adhering to them.

509 BUSINESS ETHICS AND CONFLICTS OF INTEREST

The successful business operation and reputation of our Company is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of all applicable laws and regulations, as well as the utmost regard for the highest standards of conduct and personal integrity.

In general, you should find that using good judgment, based on high ethical principles, will guide you to act appropriately. As an employee of Asset and SWBC PEO, you agree to refrain from any activities that would violate our ethical standards. If you are unsure about the proper course of action, you should discuss the matter openly with your supervisor. If necessary, you may also contact the supervisor for advice and consultation. Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones that most frequently present problems. A violation of this policy may result in disciplinary action, up to and including immediate termination.

1. No employee shall perform work for a competitor of Asset Companies or for a property managed by or operated by Asset Companies or its affiliates, without the express written authorization from the Chief Executive Officer of Asset Companies.
2. No employee may solicit or accept gifts, entertainment, or benefits from an Asset client or resident (potential or current). An occasional nominal gift might be acceptable (less than \$50.00), so long as the gift is not solicited and if the employee promptly reports the gift to his or her supervisor or to Asset’s Human Resources Department.
3. No employee should solicit or accept a fee, gratuity, commission, or payment of any kind for any services rendered by the employee, as an employee of Asset, from any other entity other than Asset. This prohibition includes, but is not limited to all Asset clients and residents (potential or current).
4. No employee may perform services, accept work, or seek to do business on an individual basis with an Asset client or an affiliate of a client while employed with Asset.
5. No employee should use or take any property that belongs to Asset, a client, or a resident without proper authorization.
6. Employees should not personally profit from any outside business activity with a person the employee met through their employment at Asset without notifying and receiving prior written approval from Senior Management.
7. Employees should not do business with, authorize Asset to do business with, or authorize an Asset client to do business with any vendor who employs a relative of the employee without full disclosure of the relationship and only after receiving prior written approval from Asset’s Human Resources Department. See Section 114 Nepotism Policy for more information.
8. Employees should not make a public statement or take action that would publicly discredit Asset’s

integrity or position of trust.

9. Employees should not intentionally record an income, expense, or other transaction inaccurately in order to misstate any material facts or achieve personal gain.
10. Employees should not engage in any activity that would conflict with or detract from their ability to carry out their assigned duties and responsibilities.
11. Employees should not copy or remove from the workplace any Asset forms, client lists, resident lists, or other confidential information belonging to Asset. All such information should be used only for Asset business. Any such documents, information, and data compiled, received, held, or used remains Asset property.
12. For a period of one year after employment with Asset ends, former employees will not solicit any of Asset's employees or its affiliates' employees to leave and perform services for or accept employment with a competitor or any other company or business entity, unless prohibited by state or local law.

Employees who encounter or become aware of inappropriate or unethical behavior are expected to promptly notify their supervisor or Asset's Human Resources Department. Inappropriate activity can range from being asked to engage in a clearly illegal or unethical activity (such as falsifying data) or the misuse of an employee's position (such as misdirecting funds), to being asked to do something that is not related to the employee's position (perform personal tasks for a supervisor or owner).

Nothing in this policy or this handbook should be construed to prohibit employees from discussing the terms and conditions of their employment or any other activity protected under applicable federal, state, or local laws.

510 CONFIDENTIALITY AND NON-DISCLOSURE

As an employee, you may have access to a variety of confidential information. "Confidential Information" includes, but is not limited to business records, customer and potential customer lists, knowledge of our customer and potential customer preferences, suppliers, methods of operation, processes, trade secrets, methods of determination of prices, financial condition, profits, sales, and net income, as may exist from time to time. Asset has spent and continues to spend considerable time and effort generating the information necessary to make our Company profitable. We rely on our employees to protect the confidentiality of such information so we can remain competitive in our industry.

Employees should not use or disclose to any person or entity any Confidential Information acquired during the course of their employment unless such use or disclosure is authorized. Employees should not, directly or indirectly, copy, take, or remove from the corporate offices or any property managed by Asset Companies, any Company books, records, customer and potential customer lists, resident lists, or any other documents or materials.

Asset is committed to protecting the Confidential Information of all employees, clients and customers. Employees are required to maintain the confidentiality of all employee, customer and client personal information including, but not limited to, Social Security Numbers, including any part of Social Security Numbers, driver's license numbers, state-issued identification card numbers, date of birth, credit or debit or other account numbers, passport numbers, alien registration numbers, health insurance identification numbers and health information.

Employees should use common sense and good judgment in situations when our Confidential Information could be accidentally disclosed, such as:

- Shredding documents that are no longer needed;
- Properly marking all Confidential Information as confidential;
- Controlling the number of copies you make of Confidential Information and the number of people you distribute the information to;
- Operating on a "need to know" basis for all Confidential Information;
- Not removing Confidential Information from the Company premises except on limited occasions that have been properly structured to safeguard the safe return of the Confidential Information;
- Locking up any Confidential Information at night and not leaving it unattended around your desk even for a short time;
- Exercising care and common sense with a laptop and handheld computers, which are high on the list of commonly stolen and/or lost items and often contain very sensitive information; and

- Remembering that cell phones are inherently not secure and should not be used when Confidential Information is involved.

If and when you leave the Company, for any reason, any documents or materials in your possession belonging to the Company must be returned. You may be required to sign a confidentiality and non-disclosure agreement as a condition of continued employment. If you have any questions about what material is considered confidential you should contact Asset's Human Resources Department.

If you receive an inquiry requesting verification of employment for current or former employees, refer the caller to SWBC PEO at (830) 980-1200.

511 EQUIPMENT CHECKOUT AND RETURN OF PROPERTY

To assist you in performing your job, you may be issued Company equipment, such as computers, laptops, iPads, tablets, cellular phones, identification badges, keys, manuals, telephone cards, tools, uniforms, vehicles, books, computers, software, data, files, and client lists ("Asset Property"). You are expected to take proper care of all Asset Property in your possession. Do not loan Asset Property to others. Do not leave Asset Property unattended. If Asset Property is damaged while in your possession, because of your negligence, you will be charged with the cost of the repair. You are expected to return all Asset Property to your supervisor immediately upon termination of employment. Failure to return Asset Property will be considered theft and may lead to criminal prosecution. Before checking out equipment, you will be asked to sign an agreement promising to return the property to Asset in good working order upon termination of employment and authorizing Asset to deduct the repair or replacement costs from your paycheck, including your final paycheck as provided in this policy. You must notify your supervisor immediately in the event Asset Property is stolen or lost.

512 SOLICITATION AND DISTRIBUTION

To prevent disruptions in the operations of Asset, and in order to protect employees from harassment and interference with their work, the following rules regarding solicitation and distribution of literature on Company property must be observed. Violation of these rules may result in disciplinary action, up to and including termination of employment.

"Working time" refers to that portion of any working day in which the employee is supposed to be performing actual job duties; it does not include such time as lunch, break time, or time before or after the scheduled work day. During working time, no employee may:

- Solicit or distribute literature to another employee for any purpose.
- Solicit or distribute literature to an employee who is on "working time" while they themselves are on "non-working time".
- Distribute literature to other employees in working areas.
- Solicit or distribute literature to visitors at any time for a non-work-related purpose.

Persons who are not employed by Asset/SWBC PEO may not solicit employees or visitors and may not distribute literature at any time for any purpose on Company property.

513 PERSONAL TELEPHONE CALLS AND CELL PHONES

The Company recognizes that, from time to time, employees may need to make personal phone calls during the work day. You should exercise common sense and good judgment in the personal use of telephone equipment. Such personal use shall be reasonably brief and infrequent in nature, shall not adversely affect your work performance or that of your co-workers, and shall not create the appearance of impropriety.

Personal cell phones in the workplace have become a serious distraction to productivity. Therefore, employees are required to keep their cell phone ringer on silent, use the vibrate mode if you're expecting a call, or simply turn your cell phone off altogether. Callers can leave a voicemail and you can return your personal phone calls at a later time.

If you must take a personal or business call on your cell phone while in the office, keep your voice down. People tend to talk louder on cell phones. To prevent the distraction to co-workers, find somewhere to talk where your conversation cannot be overheard, even if what you are discussing is not personal.

Do not use your cell phone in the hallway where you can disturb other employees who are working.

514 SOCIALIZING OR FRATERNIZING WITH RESIDENTS

To avoid a real or apparent conflict of interest, employees are prohibited from socializing with residents, other than at management sponsored activities. If such a relationship occurs, the employee must immediately notify his or her supervisor. The property manager will determine whether a change in employment status including position or location is appropriate. Failure to comply with this policy may be grounds for disciplinary action, up to and including termination.

Professional behavior is required when dealing with any resident, on and off the job.

515 TOBACCO AND SMOKING

Our workplace is a smoke and tobacco free environment. No smoking or other use of tobacco products (including, but not limited to cigarettes, cigars, pipes, oral tobacco products or "spit" tobacco, vaping, and electronic cigarettes) is permitted in any part of Company buildings or in Company vehicles. Tobacco use is limited to designated outdoor areas. This policy applies to employees and visitors. Smokers should manage smoking breaks in a responsible manner to respect departmental needs and management discretion. Taking advantage of or violating this policy may result in disciplinary action, up to and including immediate termination.

516 DISCIPLINARY ACTION

Rules of Conduct

Asset requires order and discipline to succeed and to promote efficiency, productivity, and cooperation among employees. For this reason, the Company has established certain rules of conduct. **Please refer to our Employee Conduct and Work Rules Policy #501** for examples of misconduct that may result in disciplinary action, up to and including termination.

Discipline - General Guidelines

Discipline may be initiated for various reasons, including, but not limited to, violations of the Company rules of conduct. The main purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory performance in the future. Disciplinary action may range from a verbal warning, written warning, suspension with or without pay, to termination, at the discretion of Asset. Your termination by Asset because of a violation shall also be ground for your immediate termination by SWBC PEO.

517 GRIEVANCE PROCEDURE

The Company is committed to providing the best possible working conditions for their employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from Asset supervisors and management.

The Company strives to give fair and honest treatment to all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If you disagree with established rules of conduct, policies, or practices, you can express your concern through the problem resolution procedure. You will not be penalized, formally or informally, for voicing a complaint with Asset and/or SWBC PEO in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs where you believe that a condition of employment or a decision affecting you is unjust or inequitable, you are encouraged to make use of the following steps. You may discontinue the procedure at any step.

1. You present the problem to your supervisor after the incident occurs. If your supervisor is unavailable or you believe it would be inappropriate to contact that person, you may present the problem to any other member of Asset management or contact the Executive Vice President of Human Resources at (866) 480-3288.
2. The supervisor responds to the problem during discussion or after consulting with appropriate management, when necessary. The supervisor documents the discussion.
3. You present the problem to Asset management and/or SWBC PEO if the problem is unresolved.

4. Asset management counsels and advises you, assists in putting the problem in writing, visits with your on-site supervisor, if necessary, and directs you to Asset's Human Resources Department for a review of the problem.
5. You present the problem to Asset's Human Resources Department in writing.
6. The Asset Human Resources Department reviews and considers the problem. Human Resources informs you of the decision and forwards a copy of the written response to the supervisor for your file. Human Resources has full authority to make any adjustment deemed appropriate to resolve the problem.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees and management develop confidence in each other. This confidence is important to the operation of an efficient and harmonious work environment.

518 ARBITRATION OF DISPUTES

All employees, as a condition of employment and continued employment with Asset, are required to enter into a writing agreeing to resolve certain disputes by final and binding arbitration. Please review the Mutual Arbitration Agreement for additional information.

519 NATIONAL LABOR RELATIONS ACT

Nothing in this handbook is intended to interfere with the rights of any employees to engage in protected concerted activity, either with coworkers or others, or any other rights provided under the National Labor Relations Act (NLRA). To the extent that conduct is protected under the NLRA, this handbook does not prohibit it.

SECTION 600 - EMPLOYEE BENEFITS

601 PAID TIME OFF (PTO)

Time off with pay is available to employees who are regularly scheduled to work 30 hours per week, to provide opportunities for rest, relaxation, and personal pursuits. Time off may also be used for illness or personal business. Examples of personal business include dental appointments, parent-teacher conferences, ball games, etc. Employees who do not regularly work 30 hours per week do not accrue paid time off.

The amount of paid time off employees receive each year increases with the length of their employment. Before paid time off can be requested, a waiting period of three months (90 days) must be completed (any time off taken in the first three months of employment will be without pay). After that time, employees may request the use of earned paid time off, including time accrued during the waiting period. PTO will not accrue while you are on unpaid leave or paid leave under state or local law (unless running concurrently with PTO).

Paid time off for **exempt** employees that work on a **bi-weekly** pay period will be accrued based on the following schedule:

Years of Eligible Service	Accrual Rate	Annual Accrual
Up to one year	3.077 hours per pay period	Up to 80 hours/10 days
1-5 years	4.615 hours per pay period	Up to 120 hours/15 days
5-15 years	6.154 hours per pay period	Up to 160 hours/20 days
15 + years	7.692 hours per pay period	Up to 200 hours/25 days

Paid time off for **hourly non-exempt** employees will be accrued based on the following schedule:

Years of Eligible Service	Accrual Rate per hour worked	Annual Accrual
Up to one year	0.038462	Up to 80 hours/10 days
1-5 years	0.057692	Up to 120 hours/15 days
5-15 years	0.076923	Up to 160 hours/20 days
15 + years	0.096154	Up to 200 hours/25 days

Paid time off can be used in maximum increments of two weeks and minimum increments of one hour.

Leave must be requested and approved in writing and in advance unless it is needed for an emergency. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. Employees who are unable to report to work due to emergency, illness or injury, or other sudden necessity should notify the property manager or, in the manager's absence, another supervisor at their location before the scheduled start of their workday, or as soon as practicable. The manager must also be contacted on each additional day of absence.

Paid time off is paid at the employee's base pay rate at the time the leave is taken. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials. The maximum amount of PTO that employees may accrue will be equal to the total maximum annual allowance as defined in this policy. If an employee has accumulated this maximum amount of time, further accrual will stop, and no additional PTO will accrue until the employee reduces the number of hours below the maximum. Thereafter, PTO will begin to accrue again until the maximum amount of time is accrued once more.

The following is a listing of the maximum annual PTO amounts:

- Less than five years of service: 120 hours
- After five years of service: 160 hours
- After fifteen years of service: 200 hours

An employee who is hired at part-time status and changes to full-time status will start to accrue PTO the first day of the status change. An employee who is hired at full-time status and changes to part-time status will no longer accrue PTO and will be paid at their current rate of pay for all accrued, unused PTO, up to a maximum of 40 hours. All other PTO is forfeited at the time of the status change, unless otherwise prohibited by state law.

At termination of employment, employees will be paid at their current rate of pay for all accrued, unused PTO, up

to a maximum of 40 hours. All other PTO is forfeited at separation of employment, unless otherwise prohibited by state law. Employees who provide at least two (2) weeks' notice are expected to work during the notice period and may not use PTO during their final two (2) weeks of employment. If allowed by state law, any negative PTO balance will be deducted from the employee's final paycheck upon separation of employment. Depending on state or local law, you may be eligible for more leave based on your state of municipality. See your State Addendum for state or local requirements.

602 HOLIDAYS

Regular full-time employees who are scheduled to work 30 or more hours each week are eligible for holiday time off. The holiday must occur on the employee's scheduled work week. The employee must work or be on an authorized paid leave on both the last scheduled day before and after the holiday. Asset will grant holiday time off to all eligible employees on the following holidays listed:

- Floating Holiday*
- New Year's Day (January 1)
- Martin Luther King, Jr. Day (third Monday in January)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Veterans Day (November 11)**
- Thanksgiving Day (fourth Thursday in November)
- Christmas Day (December 25)

* Eligible employees will receive holiday pay for one floating holiday to be used any time throughout the calendar year. Floating holidays are awarded to eligible employees on the first day of employment and a waiting period of three months (90 days) must be completed before eligible employees can use a floating holiday. Floating holidays that are not used within the calendar year are forfeited, cannot be rolled into the following calendar year and are not eligible for payout at separation of employment.

**Former members of the United States armed forces and former or current members of a reserve or state National Guard unit called into active military service of the United States are eligible for a paid day off on Veterans Day. Eligible employees must request time off one month in advance and provide proof of veteran status, such as a DD Form 214 or other comparable certificate of discharge from the armed forces. Time off may not be granted if an employee's absence would impact public health or safety, or if the time off would cause Asset significant economic or operational disruption.

Work on a Holiday

1. Non-Exempt Employees

Non-exempt employees who are required to work on a designated holiday will be granted equal time off during the same work week.

2. Exempt Employees

Exempt employees who are required to work on a holiday may be granted equal time off on another workday mutually convenient to the Company and the employee within 30 days following the holiday.

During a Holiday Week

If a holiday occurs during the normal work week in which an hourly employee actually works, the employee will be paid on the basis of one and one half (1-1/2) times their regular hourly rate of pay only if the hours actually worked are in excess of 40 hours for the work week or otherwise qualifies for overtime pay under state law.

Due to the nature of our business, skeleton crews will be required on most holidays at the on-site offices. Time off for holidays may be rescheduled and not taken on the actual holiday to meet the needs of the Company. The Property Manager and Regional Supervisor will coordinate those schedules.

603 PAID SICK TIME

For employees who work in a State, County, or City with a sick or safe time/leave law, the applicable sick time/leave law will apply to the extent it provides greater benefits/rights on any specific issue or issues than this paid sick time policy.

Eligibility

Beginning October 1, 2020, all full-time employees are eligible to accrue paid sick time.

Accrual and Benefit Year

Employees begin to accrue paid sick time upon hire and may use paid sick time as it accrues.

Employees accrue 1.153847 of paid sick time for every thirty (30) hours worked, up to a maximum accrual of eighty (80) hours per year. Employees may carry over up to 160 hours of accrued, unused paid sick time to the following calendar year, unless State or local law allows for a greater carry over, in such case, Asset will follow the State or local law.

Exempt employees are assumed to work forty (40) hours in each workweek unless their normal workweek is less than forty (40) hours, in which case paid sick time accrues based upon that normal workweek.

Asset uses a calendar year as its benefit year, from January 1 of each year through December 31. If allowed by state law, leave under this policy will run concurrently with any leave under the Family and Medical Leave Act.

An employee who is hired at part-time status and changes to full-time status will start to accrue paid sick time the first day of the status change. An employee who is hired at full-time status and changes to part-time status will no longer accrue paid sick time under this policy and any accrued, unused paid sick time is forfeited unless prohibited by State or local law.

Use of Paid Sick Time

Paid sick time may be used for the following reasons:

1. An employee's mental or physical illness, injury or health condition; an employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; an employee's need for preventive medical or health care;
2. Care of a family member with a mental or physical illness, injury or health condition; care of an immediate family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; care of a family member who needs preventive medical or health care;
3. Closure of the employee's place of business by order of a public official due to a public health emergency or an employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency, or
4. Care for oneself or a family member when it has been determined by the health authorities having jurisdiction or by a health care provider that the employee's or family member's presence in the community may jeopardize the health of others because of his or her exposure to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease; or
5. An absence relating to domestic violence, sexual violence, abuse or stalking, to allow the employee to obtain (for himself/herself or for a family member): medical attention; services from a victims' organization; counseling; relocation; or legal services.

An employee's family member includes: children of any age (including biological, adopted, or foster children, legal wards, children of a domestic partner, or children for whom the employee stands in loco parentis); parents (including biological, foster, stepparents, adoptive parents, or legal guardians of the employee or the employee's spouse or domestic partner, as well as persons who stood in loco parentis when the employee, spouse, or domestic partner was a minor child); spouses or domestic partners; grandparents, grandchildren, or siblings (including foster, adoptive, or step relationships) of the employee or the employee's spouse or domestic partner; and any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

Employees may use paid sick time in the same incremental amounts as other paid time off (one-hour increments).

Notice and Documentation Requirements

Employees should follow Asset's normal notice procedures for absences when requesting time off under this policy. Employees are not required to disclose the nature of his or her illness or the specific reason related to a safety issue, but the employee must provide enough information to understand that the absence is for a qualifying reason.

- If the employee's need for leave is foreseeable (e.g. doctor's appointment), the employee must make a request to their direct supervisor or to Human Resources in advance, or as early as possible before the date of use.
- If the leave is not foreseeable (e.g. an unexpected illness), employees should follow normal absence procedures and notify their supervisor within thirty (30) minutes of the start of their shift or as soon as practicable.
- In all instances, employees should follow the notice provisions in the Employee Handbook and notify their supervisor of each day of leave unless they are on approved leave for a specified period.

If you are absent for more than three (3) consecutive workdays due to personal illness, or other reasons under this policy, you may be required to provide reasonable documentation, such as a statement from your health care provider. Documentation provided to Asset should not explain the nature of the employee's or a family member's health condition or the details of the domestic violence, sexual violence, abuse or stalking. The information provided will be kept confidential and will not be disclosed to outside parties without the employee's permission or unless ordered to do so by a court or administrative agency, or otherwise required by federal or state law.

Termination and Rehire

Employees are not paid for accrued, unused paid sick time upon termination, resignation, retirement or other separation of employment. If the employee separates and is rehired within six (6) months from the date of separation, previously accrued, unused paid sick time will be reinstated, unless a shorter period is required by local law and in such case, Asset will follow the local law.

No Retaliation or Discrimination

Retaliation or discrimination against any employee who requests or uses paid sick time under this policy is prohibited. No supervisor or manager has the authority to interfere with your use of paid sick time under this policy. If you believe that you are being discriminated or retaliated against because of your use or request for paid sick time, please notify Human Resources immediately. Employees should continue to certify that their time records accurately reflect all hours worked during the relevant period and that no individual has instructed the employee NOT to record all of the hours worked by the employee.

Point of Contact

While paid sick time is paid through SWBC PEO, paid sick time is solely an Asset policy. Employees with questions about paid sick time benefits may contact Rulissa Trout, Executive Vice President of Human Resources, at (866) 480-3288.

604 AWARD TIME OFF

In alignment with our culture of rewarding and recognizing employees, Asset has instituted an “award time off” policy in which senior management may, at their sole discretion, reward full-time and part-time employees for a noteworthy achievement or an effort that contributes to the Company’s missions, goals and/or objectives.

Time off with pay will be awarded at the time of the “award” or event and will carry over to the following calendar year. Award time off will not count towards the calculation of overtime for hourly or non-exempt employees. In addition, time will not be paid out at separation of employment, regardless of the reason for separation, unless otherwise required under state or local law.

Regional supervisors must have the approval of their VP/SVP and Human Resources to offer this as an award prior to discussing with their property level team. The corporate team must have the approval of the CFO and Human Resources to offer this as an award.

Employees that have been awarded “award time off” may request to use their time by submitting a request through SWBC PEO’s Kronos system and selecting Award Time Off instead of PTO or other options available for their manager/supervisor approval.

Questions about this policy should be directed to the Regional Supervisor, SVP or a member of the Human Resources team.

605 SERVICE AWARD DAYS

All full-time employees are eligible for Service Award days based on the following schedule:

LENGTH OF SERVICE:	PAID SERVICE AWARD DAYS:
15 through 19 years	1 day per year
20 through 24 years	2 days per year
25 years or more	3 days per year

Eligible employees are granted Service Award days on their service anniversary date. Service Award days do not carry over and must be taken during the twelve (12) months following the service anniversary date, no exceptions.

The employee’s Property Manager or Corporate Manager must approve the use of Service Award time.

Service Award day is time off with pay and as such it does not count towards the calculation of overtime. The total Service Award time and worked time cannot exceed 40 hours per week. Non-exempt employees can use Service Award time in increments of one (1) hour, not to exceed eight (8) hours for the day. If an employee has worked more than seven (7) hours in a day, he/she cannot be paid any additional Service Award time for that day. Exempt employees must use Service Award time in eight (8) hour increments.

All unused Service Award days are forfeited upon separation of employment, unless otherwise prohibited by state law.

606 GROUP BENEFITS AVAILABILITY

Asset is proud to be able to offer quality group benefits to all eligible employees. Employees who regularly work 30 hours or more per week will be considered eligible for benefits. Depending on the particular state in which the employee works, additional disability benefits may be provided at no cost to the employee. Where applicable, benefits are deducted from wages on a pre-tax basis. Asset works diligently to provide employees with the opportunity to participate in a well-rounded benefits package. The following are just some of the benefits Asset currently offers:

- Health Care Insurance
 - Includes Basic Group Life Insurance
 - Includes Long-Term Disability Insurance
 - Includes Basic Group Dental
- Supplemental Life Insurance
 - Available to Employee and Dependents
- Voluntary Short-Term Disability Insurance
- Voluntary Vision Insurance
- 401(k) Retirement Account
- Employee Assistance Program

Brochures that explain benefits that may be offered to you by the Company or SWBC PEO and their eligibility requirements have been or will be given to you. All employee benefit plans are voluntary. If you have any specific questions, please contact your supervisor or the Asset Human Resources Department. In any and all cases where any questions, conflicting information or interpretation should arise between the policies in this Employee Handbook and the Summary Plan Descriptions, the Summary Plan Descriptions shall prevail. Benefits and eligibility may vary from state to state.

An employee who is hired at part-time status and changes to full-time status will be eligible for benefits the first of the month following 60 days from the status change. An employee who is hired at full-time status and changes to part-time status will no longer be eligible for benefits the first of the month following the status change.

Voluntary benefits may have varying eligibility requirements. The employee is responsible for contacting the provider for details on eligibility and any specific requirements.

While the administrator of a given benefit plan will make an effort to notify you prior to your eligibility date for participation in such plan, it is solely your responsibility to notify the plan administrator in writing of your desire to participate. Neither Asset nor SWBC PEO is responsible for consequences that may stem from your failure to enroll in any benefit plan. Certain benefit plans may require the completion of an application before coverage becomes effective.

607 COBRA NOTICE

Continuation of Health Plan Coverage

This notice has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the group health plan (the "Plan"). **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What is COBRA continuation coverage?

COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a “qualifying event.” Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a “qualified beneficiary.” You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies;
- Your spouse’s hours of employment are reduced;
- Your spouse’s employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;
- The parent-employee’s hours of employment are reduced;
- The parent-employee’s employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a “dependent child.”

When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- The end of employment or reduction of hours of employment;
- Death of the employee;
- Commencement of a proceeding in bankruptcy with respect to the employer; or
- The employee becoming entitled to Medicare benefits (under Part A, Part B, or both).

For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to: Asset, Human Resources Department, 945 Bunker Hill Road, Floor 14, Houston, TX 77024.

How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability extension of 18-month period of COBRA continuation coverage

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage. You must provide notice to Asset, Human Resources Department, 945 Bunker Hill Road, Floor 14, Houston, TX 77024, along with a copy of the determination letter from the Social Security office.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

If you have questions:

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit www.healthcare.gov.

Keep your Plan Informed of Address Changes

To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Plan Contact Information

Information about the Plan and COBRA continuation of coverage can be obtained on request by contacting Asset's Human Resources Department, 945 Bunker Hill Road, Floor 14, Houston, TX 77024.

608 SWBC PEO ONLINE SERVICES

Visit PrismHR online to access training, secure personal information and work tools. Go to swb.prismhr.com/swb and click on the 'Register' button in the right-hand corner to create your unique username and password.

Your personal information is accessible only to you through multiple layers of security and industry-standard data encryption. Since payroll information and other sensitive data are accessible through your account, it is important you do not share your username and password with others.

Contact SWBC PEO at (830) 980-1200 or PEO-HRIS@SWBC.COM for questions about PrismHR and your SWBC PEO benefits.

609 LEAVING THE COMPANY

Should you decide to leave the Company, we ask that you provide your supervisor with at least two (2) weeks advance notice of departure. Thoughtfulness will be appreciated. Employees who provide at least two (2) weeks' notice are expected to work during the notice period and may not use PTO during their final two (2) weeks of employment. All Company property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. Employees also must return all of the Company's Confidential Information upon separation. To the extent permitted by law, employees will be required to repay the Company (through payroll deduction, if lawful) for any lost or damaged Company property. As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

610 A FEW CLOSING WORDS

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

HANDBOOK ACKNOWLEDGMENT

I acknowledge that I have received the Company's Employee Handbook ("the Handbook") and understand that violations of the policies contained in the Handbook including, but not limited to, the Anti-Harassment Policy, could result in disciplinary action, up to and including termination.

I understand I must repay the Company any vacation/PTO used but not accrued at the time my employment ends, and I hereby authorize the Company to deduct such amounts from my final paycheck to the extent permitted by law. I also agree that if requested, I will complete a new deduction authorization form to facilitate such deductions.

I further agree and consent to all policies contained herein and understand that the information contained in the Handbook represents guidelines for the Company and that the Company reserves the right to modify the Handbook or amend or terminate any policy, procedure or employee benefit program at any time.

I further understand that the contents of the Handbook do not form a written employment contract for employment for a specific term or duration. My employment with SWBC PEO is at-will. My employment with Asset is also at-will unless a duly authorized employment agreement with Asset provides otherwise.

I further understand that no manager, supervisor or other representative of the Company, other than the Chief Executive Officer has any authority to change my at-will status or enter into any agreement guaranteeing employment for any specific period of time. I also understand that any such agreement, if made, will not be duly authorized and enforceable unless it is in writing and signed by both parties. Notwithstanding the above, I also understand that an agreement made by the Chief Executive Officer of Asset is not binding on SWBC PEO unless it is agreed to in writing by the Chief Executive Officer of SWBC PEO.

My signature below certifies that I understand the at-will employment relationship between the Company and myself.

I further understand that if I have any questions about the interpretation or application of any policies contained in the Handbook, I should direct these questions to the onsite supervisor.

In the event there is a conflict between a policy in this Handbook versus a policy posted on PrismHR, the policy in this Handbook governs.

My electronic acknowledgment in PrismHR is my signature with the same effect as if I had signed my name below.

Employee Signature: _____

Employee Printed Name: _____

Date: _____