

DISCLAIMER

The Company has established a variety of employee benefit programs designed to assist you and your eligible dependents in meeting the financial burdens that can result from illness and disability, and to help you plan for retirement. This portion of the Employee Handbook contains a very general description of the benefits to which you may be entitled as an employee of the Company. Please understand that this general explanation is not intended to, and does not, provide you with all the details of these benefits. Therefore, this Handbook does not change or otherwise interpret the terms of the official plan documents. Your rights can be determined only by referring to the full text of the official plan documents, which are available for your examination from the Human Resource Department. To the extent that any of the information contained in this Handbook is inconsistent with the official plan documents, the provisions of the official documents will govern in all cases.

Promesa Behavioral Health reserves the right to cancel or change the benefits it offers to its employees. Company-sponsored benefits are governed by the Plan Document of each plan in effect at that time. Should conflict exist between the Employee Handbook and the Plan Document, the Plan Document will prevail.

BENEFIT ELIGIBILITY

Promesa Behavioral Health currently offers benefits to regular full-time employees who work between 38-40 hours per week and regular part-time employees who work between 30-37 hours per week effective the first day of the month following 60 days from the date of hire. The Company retains the sole discretion to determine issues of eligibility or interpretation of the terms and provision of all Company benefit programs. Details about benefits and benefit eligibility are available from the Human Resource Department.

MEDICAL, DENTAL AND VISION INSURANCE

Promesa Behavioral Health currently offers medical, dental and vision insurance to regular full and part-time employees. Once eligible and enrollment is completed, your election is generally fixed for the remainder of the plan year. However, if you undergo a change in family status or other qualifying event (as defined in Plan Document) you may make a mid-year change in coverage, provided you do so within thirty days from date of change. During Open Enrollment each year you are free to change your coverage elections for the following year, whether or not you have a change in family status.

The Human Resource Department will notify and assist you in making the necessary arrangement for enrollment. A complete description of the plans is provided to employees during benefit enrollment meetings, through Summary Plan Descriptions and appropriate supplements.

AFFORDABLE HEALTH CARE ACT

The Affordable Health Care Act was passed through Congress to offer Affordable Health Care through State Health Care Exchanges for individuals who are not enrolled in their employer sponsored health care plan or their employer's health care plan does not meet the affordability criteria set forth in the Affordable Health Care Act. There may be financial assistance for those who qualify and enroll in the individual exchanges through premium tax credits or cost sharing reductions. Individuals are required to enroll in one of the California Health Care Exchanges or face monetary tax penalties established through the Affordable Health Care Act. The Annual Open Enrollment period will normally be November through January to make any changes to the health care exchange options previously elected. However, there are some exceptions that allow an employee to enroll outside of the Open Enrollment period.

GROUP LIFE INSURANCE

The Company offers full-time employees an employer-paid Term Life policy along with an accidental death and dismemberment policy. See the Human Resource Department for further details.

LONG TERM DISABILITY

Promesa Behavioral Health offers full-time employees a non-contributory Long Term Disability (LTD) plan. The plan provides for monthly LTD benefits as detailed in the plan description.

RETIREMENT PLANS

403(b) Tax Sheltered Annuity Program

This is a voluntary, employee-directed pre-tax payroll deduction allowing you to contribute on your own behalf to a retirement savings plan under the provisions of Section 403(b) of the Internal Revenue Code. This retirement savings plan is available to all Promesa Behavioral Health employees upon date of hire

Profit Sharing Plan

This is a non-contributory plan. Each year a contribution percentage is declared and eligible employees receive the employer contribution based on salary. An account will be established in your name and you will receive quarterly statements. You are fully vested after six years of employment. You must have worked with the Company one year and a minimum of 1,000 hours per year to be eligible for this program.

HOLIDAYS

HOLIDAYS FOR ADMINISTRATIVE EMPLOYEES

Promesa Behavioral Health observes the following holidays and the administrative offices will be closed accordingly. Full-time Office Employees will be granted pay for these holidays in accordance with their employment status as described in Section 3

New Year's Day	Martin Luther King Jr. 's Birthday
President's Day	Caesar Chavez Day
Memorial Day	Independence Day
Labor Day	Veterans Day
Thanksgiving Day	Day after Thanksgiving
Christmas Day	

If the holiday falls on a Saturday or Sunday, the Friday prior or Monday after the holiday will be observed. Holidays occurring during a scheduled PTO day do not count as a PTO day used. If the holiday falls on an employee's regularly scheduled day off, they may elect an alternative day off within the same pay period.

HOLIDAY PREMIUM PAY FOR RESIDENTIAL EMPLOYEES

Holiday Premium Pay will be paid to any residential employee who works any of the below listed holidays. The dollar amount of the holiday premium pay will be time and a half the employee's regular hourly rate.

The following are designated holidays for residential positions:

New Years Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Christmas Day

PAID TIME OFF (PTO)

Paid Time Off (PTO) is a blanket category encompassing vacation, sick, and emergency leave time, as well as holidays for those employees who perform residential care. PTO also includes all time off mandated by the Healthy Workplace, Healthy Families Act of 2014 and "Kin Care." PTO is accrued only by regular full-time employees who work 38 hours and above. It is accrued in accordance with the employee's employment classification and years of full-time service. Employee's PTO rates will increase at the beginning of the anniversary year based on the employee's employment classification and years of full-time service. Accrual will continue thereafter unless broken by an absence without pay, a leave of absence, or termination of employment.

Initial PTO accrual will begin either on the employee's date of hire or full-time date of employment. Employees can utilize their PTO after a 90 day waiting period. Once an employee has accrued 1.75 times the maximum amount of PTO accruable based on their respective years of service, the employee will no longer continue to accrue PTO until they have used some of their previously accrued PTO. Once some PTO is used, it will begin to accrue again until the cap is reached. The Company does not grant retroactive PTO compensation for any period of time during which the accrued PTO was at the cap.

PTO shall be scheduled so as to provide adequate coverage for job and staff requirements. All employees must give the Company a two (2) week notice regarding their PTO request where the need for leave is foreseeable. Where the need to use leave for illness is foreseeable (e.g. a doctor's appointment scheduled in advance), the employee must provide reasonable advance notification to the Company. Where the need for leave due to illness is unforeseeable, the employee shall provide notice of the need for leave to the Company as soon as is practicable. For operational purposes, certain employees within the Company, i.e., School Staff, must take their vacations when client contact is at a minimum. Management will make the final determination in approving employee PTO/Time off requests

An employee may not take PTO before its accrual; time requested should not exceed the balance reflected at the end of the previous pay period. Employees will not be paid for any time in excess of accrued PTO. An employee whose employment terminates will be paid for all accrued, unused PTO on a prorated basis.

ACCRUAL RATES

PTO accrues at a specific rate for every straight-time hour paid.

Full Time Non-Exempt Administrative

Under 1 Year	Accrues at .0308 per hour (8 days per year)
2-4 Years	Accrues at .0577 per hour (15 days per year)(210hr cap)
5-9 Years	Accrues at .0769 per hour (20 days per year)(280hr cap)
10+ Years	Accrues at .0962 per hour (25 days per year)(350hr cap)

Full Time Non-Exempt Residential

Under 1 Year	Accrues at .0615 per hour (16 days per year)
2-4 Years	Accrues at .0962 per hour (25 days per year)(350hr cap)
5-9 Years	Accrues at .1154 per hour (30 days per year)(420hr cap)
10+ Years	Accrues at .1346 per hour (35 days per year)(490 hr cap)

Full Time Exempt

Under 1 Year	Accrues at .0615 per hour (16 days per year)
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2-4 Years	Accrues at .0769 per hour (20 days per year)(280hr cap)
5-9 Years	Accrues at .0962 per hour (25 days per year)(350hr cap)
10+ Years	Accrues at .1154 per hour (30 days per year)(420hr cap)

Full Time Executive Exempt

Under 1-4 Years	Accrues at .0769 per hour (20 days per year) (280hr cap)
5-9 Years	Accrues at .0962 per hour (25 days per year) (350hr cap)
10+ Years	Accrues at .1154 per hour (30 days per year)(420 hr cap)

DONATION OF PTO

An employee may donate accrued PTO to another employee who is eligible for PTO and who may need additional PTO as a result of the employee's serious health condition, to care for an immediate family member with a serious health condition, or due to the death of an immediate family member. It is the responsibility of the employee requesting the donation to provide a written request to the Human Resource Department. Required certification must accompany the request to support the need for PTO donation.

Recipients must have exhausted their available leave balance prior to receiving PTO donations. Eligible recipients shall not be required to reimburse PTO donated to them. Donors must have a minimum of 40 accrued hours remaining after donation. Donations to a recipient will only be in eight-hour increments. Donated PTO will be paid at a rate that would not cause the Company to pay a higher rate than it ordinarily would have. It is within the sole discretion of the CEO to approve or disapprove a PTO Donation Request.

HEALTHY WORKPLACE, HEALTHLY FAMILY ACT OF 2014 AND KIN CARE

Under the Healthy Workplace, Healthy Families Act of 2014, employees who have worked in California for 30 or more days for the same employer within a year from the commencement of employment will be entitled to use up to 3 days or 24 hours of paid sick leave per year, whichever is greater.

Applicability: This policy applies to all employees except regular full-time employees who work 38 hours or more and accrue PTO. Employees who accrue PTO will not be provided additional sick leave in addition to their PTO, but may use their PTO for the purposes set forth below.

Permissible Usage: An employee can use paid sick leave for the diagnosis, care or treatment of an existing health condition, or preventative care for, themselves or a qualifying family member which includes a child (biological, adopted, foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis), a parent (biological, adoptive, foster parent, stepparent or legal guardian of an employee's spouse or registered domestic partner), spouse or registered domestic partner, grandparent, grandchild, and/or sibling.

Parameters of Paid Sick Leave use:

- Employees cannot start using the paid sick leave until the 90th day of employment
- Employees can use up to 3 days or 24 hours a year, whichever is greater.
- Employers are required to provide Paid Sick Leave benefit upon an employee's oral or written request. If need for paid sick leave is foreseeable the employee must provide reasonable advance notice.
- Employees may determine when and how much paid sick leave he/she needs to use. An employee will only be allowed to take paid sick leave in increments of one hour.
- Employee is NOT required to find coverage for their shift when utilizing their paid sick leave benefit.

Calculation Method: The Company will use the lump sum method providing each qualified employee a lump sum of 3 days or 24 hours on July 1st. The employee will not be able to carry over unused sick days, but will get 24 hours or 3 new sick days each year on July 1st. Employees hired after July 1st will receive 3 days or 24 hours of paid sick leave on their first day of employment. Thereafter, they will receive 3 new days or 24 hours each year on July 1st and will not carry over any unused sick days.

Employee Separation Parameters: Unlike accrued PTO, the Paid Sick Leave is not treated like wages and is not paid out at the end of employment.

Reinstatement of Paid Family Leave Benefit: Unlike other leave laws, previously accrued and unused paid sick days will be reinstated if an employee leaves employment and then is rehired within one year. Upon rehire, the employee will be allowed to use the previously accrued and unused paid sick days and begin accruing additional paid sick days.

Unlawful Acts: It is unlawful for the Company to interfere with, restrain, or deny the exercise of Paid Sick Leave or Kin Care rights as regulated by California state law. Taking any adverse action against an employee for using paid sick leave. Prohibited actions include discharge, threat of discharge, demotion, suspension or any manner of discrimination. Retaliating against employees who file complaints alleging violations of the Act, or who cooperate in an investigation or prosecution of all alleged violation or oppose any policy, practice or act prohibited by this law.

Kin Care: Employees may also use one-half of their Paid Sick Leave for the purposes specified in the Kin Care law. Specifically, these purposes are: (1) the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee; (2) the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee's family member; or (3) for an employee who is a victim of domestic violence, sexual assault, or stalking who takes time off for specified reasons related to the domestic violence, sexual assault, or stalking. Employees who accrue PTO will be permitted to use one-half of their annual accrued PTO for the purposes specified in the Kin Care law.

BEREAVEMENT LEAVE

Promesa Behavioral Health offers Bereavement Leave to all employees to provide for mourning after the loss of an immediate family member. Employees are eligible to take up to three (3) consecutive working days of paid leave for the death of an immediate family member. Immediate family includes: spouse, domestic partner, child, mother, father, sister or brother. One (1) day of paid leave is authorized for step-parents and grandparents, mother and father in-laws and brother or sister in-law. If additional time is needed, PTO time or unpaid personal leave may be taken with supervisory approval.

Bereavement Leave is subject to supervisory approval. In order to be paid out, it may be required that the employee provide verification of need. Hours paid for bereavement leave will be at straight time pay and cannot be added as hours for overtime pay.

JURY DUTY

Promesa Behavioral Health encourages employees to fulfill their obligation to the community when called to serve on a jury. If an employee receives notice of jury duty, they should report it to their supervisor immediately to allow for scheduling adjustments.

Non- Exempt employees will receive full pay while serving up to three (3) days of jury duty. Exempt employees will receive full salary unless they are absent for a full week and perform no work. Compensation will be based on normally scheduled days and normally scheduled hours; employees will only be compensated for jury duty time that interferes with their work hours.

If an employee has an evening shift that is not affected by the requirement to fulfill the jury duty obligation, they will not be compensated for missing work.

Non-exempt employees will be compensated at their base hourly rate and they must have been employed with the Company for one year or more in order to receive compensation for jury duty. All employees are expected to submit any jury compensation less parking and mileage to the Finance Department.

If an employee is dismissed early from jury duty service, he or she is expected to report back to work during the regularly scheduled hours of work. A jury service time report must be presented to the supervisor and the Human Resource Department for verification of time served on jury duty. Failure to provide a time report will result in loss of compensation.