



TIDEWATER INN
HUNTERS' TAVERN

EMPLOYEE HANDBOOK

The Tidewater Inn Employee Handbook establishes policies, procedures, benefits and working conditions that will be followed by all employees as a condition of their employment with Tidewater Inn.

Tidewater Inn strives to provide an employee-friendly environment in which goal-oriented individuals thrive. Our company commitment to serving customers and providing quality products and services is unwavering. These policies, procedures and working conditions provide a work environment in which both customer and employee interests are served.

We value our employee's talents, skills and abilities and seek to foster an open, cooperative and dynamic environment in which we can all excel. Tidewater Inn provides an environment where employees are encouraged to bring ideas and challenges to any level of management.

Tidewater Inn is an equal opportunity employer. Religion, age, gender, national origin, sexual orientation, race or color does not affect employment decisions including hiring, promotion, development opportunities, pay or benefits. We offer fair treatment of employees based on merit and comply with all applicable federal, state and local labor laws.

Employment with Tidewater Inn is on an "at-will" basis, which means that either an employee or Tidewater Inn may terminate the employment relationship at any time, for any reason, with or without cause. This handbook is not a contract of employment nor is it intended to create contractual obligations for the company of any kind or alter the at-will employment relationships between Tidewater Inn and our employees. Only a written agreement, signed by the Chief Operating Officer (COO) of Tidewater Inn can change the at-will nature of the employment of any individual.

The policies and procedures outlined will be applied at the discretion of Tidewater Inn management. As such, Tidewater Inn may deviate from the policies, procedures, benefits and working conditions described in this handbook. The company may also withdraw or change the policies, procedures, benefits and working conditions described in this handbook at any time, for any reason. While it is our goal to provide employees with notice of such changes, prior notice is not required before a change is implemented. Throughout an employee's employment with Tidewater Inn, it is his or her responsibility to remain up to date on company policies, procedures, benefits and work conditions—both published and unpublished.

No provision in this handbook can be waived without written permission from Tidewater Inn's COO.

Please review the policies, procedures, working conditions and benefits described in this handbook. You will be asked to affirm that you have read, understand, agree to, abide by and acknowledge your receipt of this employee handbook.

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Welcome

Thank you for joining the Tidewater Inn family. We are happy to have you as part of our team and hope to be supportive of each other and continue our path building a great business and providing meaningful opportunities for you.

The Tidewater Inn holds a special place in the history of the Eastern Shore of Maryland and offers to us an opportunity to contribute to its history. In the fall of 2009, we purchased the Inn and have invested to the best of our ability in the property and its day to day operations. As we apply our skills and efforts, we can feel the hard work of so many who came before and endeavored to make the Tidewater a very special place. We consider it an honor to play our role as a steward of this beautiful building and its history of warm and inviting hospitality.

We are in the Celebration business, helping provide the facilities and services for our guests to enjoy special moments, and in many cases, lifetime memories. This mission creates a responsibility to our guests and gives us the opportunity to be a part of these celebrations that are so special to them. It is truly wonderful to help others celebrate, and to focus our talents on these important occasions.

Applying your efforts and skills, combined with courtesy, respect, sense of personal pride and commitment to a job well done, is our expectation of your interaction with our guests and your fellow employees.

We hope that your time here will offer you the opportunity to grow as a professional and contribute to the task of supporting extraordinary events. Your success here will be the result of your energy, focus, work ethics and our ability to provide the environment for your success. So, apply yourself, bring a smile, know that you are valuable to us, and we promise to support you.

Sincerely,

John H. Wilson

OUR SERVICE CULTURE

OUR NOBLE PURPOSE

It is our mission to create a company dedicated to providing our clients and guests with a world class hospitality experience through extraordinary events, inspired cuisine and legendary service.

WE ARE...

We are a “family” of extraordinary, dedicated individuals who strive to provide a hospitality experience for our guests **that exceeds their greatest expectations.**

WE HAVE...

We have created visionary facilities and grounds that cater to memorable celebrations that bring friends, family and loved ones together. We recognize our responsibility to enrich these moments that bring lifelong memories.

WE WILL...

We will maintain a high degree of professionalism and integrity while encouraging our associates to reach their greatest potential. We will reward outstanding performances and will ensure that every associate knows that he or she is valued.

DETERMINED TO...

Remain the market leader in the celebration and hospitality industry. Taking second place to none, to be the best in class and maintain a quiet sense of pride and accomplishment as we exceed our clients' expectations.

OUR DAYS ARE FILLED WITH...

Bustling, excited and happy guests. Our associates are engaged, competent and fulfilled. We are dedicated to supporting a community that supports us.

OUR MISSION

Our mission is to retain and expand our customer base through superior, personalized service.

To fulfill this mission, we are committed to the following:

- Providing competitively priced products and high-quality service
- Remaining up to date on new technologies that may benefit us
- Rewarding employee achievement
- Serving and supporting the community
- Building partnerships
- Exceeding customer expectations

We have carefully selected you as a staff member because we believe that you can provide the high-quality service that continually makes us the best in the business. We believe that consistent, ethical and quality performance in all our endeavors is the key to success and will result in loyal, mutually beneficial relationships. As a member of our staff, dedication to providing the best service to our customers should be your top priority.

At-Will Employment Statement

This handbook contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to the Human Resources Department.

Neither this handbook nor any other Tidewater Inn document confers any contractual right, either expressed or implied, to remain in Tidewater Inn's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not set for any specific time and may be terminated at will, with or without cause and without prior notice by Tidewater Inn, or you may resign for any reason, at any time. While there may be a disciplinary process in place, in certain situations, the Company may make the decision to terminate you without first taking these disciplinary steps.

No supervisor or other representative of Tidewater Inn (CEO/COO, in writing) has the authority to enter into any agreement of employment for any specified period, or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described here may be modified or discontinued from time to time. We will make every attempt to inform you of any changes as they occur.

Some of the subjects described here are covered in detail in official benefit policy documents. You should refer to those documents for specific information since this handbook only briefly summarizes those benefits. Please note that the terms of the written insurance policies are controlling.

Mediation and Arbitration Agreement

Although Tidewater Inn (the Company) hopes that employment disputes with its employees will not occur, the Company believes that when these disputes do arise, it is in the mutual interest of all concerned to handle them promptly and with a minimum of disturbance to the operations of the company businesses and the lives of its employees.

Accordingly, to provide for more expeditious resolution of certain employment-related disputes that may arise between Tidewater Inn and its employees, the Company has instituted a mandatory mediation and arbitration procedure (the Tidewater Inn Mediation and Arbitration Procedure or the Procedure) for all employees. Under the Procedure, certain disputes that may arise from your employment with Tidewater Inn or the termination of your employment (after appropriate attempts to resolve your dispute internally through the Company management channels), must be submitted for resolution by non-binding mediation, and if necessary, mandatory arbitration.

In agreeing to submit certain employment disputes for resolution by private mediation and (if necessary) arbitration, you acknowledge that this Agreement is given in exchange for rights to which you are not otherwise entitled—namely, your employment as a Tidewater Inn employee and the more expeditious resolution of employment disputes. In exchange for your agreement to submit these disputes to mediation and (if necessary) binding arbitration, Tidewater Inn likewise agrees to the use of mediation and arbitration as the exclusive forum for resolving employment disputes covered by this Agreement.

Hence, the parties shall be precluded from bringing or raising in court or another forum any dispute that was or could have been brought or raised under the procedures set forth in this Agreement.

The Tidewater Inn Mediation and Arbitration Procedure

As a condition of your employment at Tidewater Inn, you agree that any controversy or claim arising out of or relating to your employment relationships with Tidewater Inn or the termination of the relationship, must be submitted for non-binding mediation before a third-party neutral and (if necessary) for final and binding resolution by a private and impartial arbitrator, to be jointly selected by you and Tidewater Inn.

- **Claims Covered:** This Agreement to submit to mediation and (if necessary) arbitration:
 - Covers any dispute concerning the arbitrability of any such controversy or claim; and
 - Includes, but is not limited to, any claim that could be asserted in court or before an administrative agency or claims for which the employee has an alleged cause of action, including without limitation claims for breach of any contract or covenant (express or implied); tort claims; claims for discrimination (including, but not limited to, discrimination based on sex, pregnancy, race, national or ethnic origin, age, religion, creed, marital status, sexual orientation, mental or physical disability or medical condition or other characteristics protected by statute); claims for wrongful discharge; violation of the Family and Medical Leave Act (FMLA); violations of confidentiality or breaches of trade secrets; and/or claims for violation of any federal, state or other governmental law, statute, regulation or ordinance, and whether based on statute or common law; and
 - All those claims whether made against Tidewater Inn, The Tidewater Inn, any of its subsidiary or affiliated entities or its individual officers and/or owners (in an official or personal capacity).

- **Claims Not Covered:** Claims covered by this Agreement do not include:
 - A claim for workers' compensation benefits;
 - A claim for unemployment compensation benefits;
 - A claim under the National Labor Relations Act (NLRA), as amended;

- A claim by Tidewater Inn for injunctive or other equitable relief, including without limitation claims for unfair compensation and the use of or unauthorized disclosures of trade secrets or confidential information, for which Tidewater Inn may seek and obtain relief from a court of competent jurisdiction; and
 - A claim based upon Tidewater Inn's current (and successor or future) employee benefits and/or welfare plans that contain an appeal procedure or other procedure for the resolution of disputes under the plan.
- **Internal Efforts:** As a prerequisite for submitting an employment dispute to mediation and, if necessary, arbitration, both you and Tidewater Inn agree to make good faith efforts at resolving any dispute internally on an informal basis through Tidewater Inn management channels appropriate to that dispute. The internal point of contact would be the Human Resources Department. Only when those internal efforts fail, may an employment dispute be submitted to mediation and (if necessary) final and binding arbitration under the terms of the Procedure.
- **Non-binding Mediation:** If efforts at informal resolution fail, disputes arising under this Agreement must first be submitted for non-binding mediation before a neutral third party. Mediation is an informal process where the parties to a dispute meet in an attempt to reach a voluntary resolution, using the third party as a facilitator. Mediation shall be conducted and administered by the American Arbitration Association (AAA) under its Employment Mediation Rules, which are incorporated into this Procedure by reference; or other applicable rules.
- **Binding Arbitration:** If a covered dispute remains unresolved at the conclusion of the mediation process, either party may submit the dispute for resolution by final binding confidential arbitration under the Procedure. The arbitration will be conducted under the [Employment Dispute Resolution Rules of the AAA or other applicable rules (Rules)] with the additional proviso that the Procedure shall be conducted on a confidential basis. These Rules, incorporated by reference into this Procedure, include (but are not limited to) the procedures for the joint selection of an impartial arbitrator and for the hearing of evidence before the arbitrator. The arbitrator shall have the authority to allow for appropriate discovery and exchange of information before a hearing, including but not limited to, production of documents, information requests, depositions and subpoenas. A copy of the AAA Employment Dispute Resolution Rules may be obtained from the Human Resources Dept.
 - Any conflict between the rules and procedures set forth in the AAA rules and those set forth in this Agreement shall be resolved in favor of those in this Agreement.
 - The burden of proof at an arbitration shall always be on the party seeking relief.
 - In reaching a decision, the arbitrator shall apply the governing substantive law applicable to the claims, causes of action and defenses asserted by the parties as applicable. The arbitrator shall have the power to award all remedies that could be awarded by a court or administrative agency in accordance with the governing and applicable substantive law, including, without limitation, Title VII, the Age Discrimination in Employment Act and the Family and Medical Leave Act.
- **Time Limits and Procedures:** The aggrieved party must give written notice of any claim to the other party as soon as possible after the aggrieved first knew or should have known of the facts giving rise to the claim. The written notice shall describe the nature of all claims asserted and the facts upon which those claims are based and shall be mailed to the other party by certified or registered mail, return receipt requested. Any such notice mailed to Tidewater Inn shall be addressed to the Human Resources Department.
- Any mediation or arbitration conducted under this Agreement shall take place at Tidewater Inn unless an alternative location is chosen by the agreement of the parties. The arbitrator shall make every effort to render a decision and award within 30 days after the close of the arbitration hearing or at any later time on which the parties may agree. The award shall be in writing and signed and dated by the arbitrator and shall contain express findings of fact and the basis for the award.

The parties agree to share equally the AAA administrative fees and the arbitrator's fees and expenses. All other costs and expenses associated with the arbitration, including, without limitation, each party's respective attorney's fees, shall be borne by the party incurring the expense.

Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The award may be vacated or modified only on the grounds in the U.S. Arbitration Act or other applicable law.

- **No Retaliation/Employment At-Will:**

- Under no circumstances will a Tidewater Inn employee be retaliated against in any way for invoking the Procedure in good faith to seek the resolution of a dispute. Tidewater Inn managers who engage in such retaliation will be subject to discipline under the appropriate Tidewater Inn disciplinary procedures.
- The Tidewater Inn Arbitration and Mediation Procedure does not in any way alter the at-will employment status of employees. Tidewater Inn and its employees are always free to terminate the employment relationship at any time for any lawful reason and employment is not for any specific or definite duration.

- **Severability:** In the event any portion of this agreement is found to be unenforceable or illegal, it can be severed, and the other provisions will remain in full force and effect.

The Agreement sets forth the complete agreement of the parties on the subject of mediation and arbitration of the covered claims defined above and supersedes any prior or cotemporaneous oral or written understanding on these subjects. No party is relying on any representations, oral or written, on the subject or the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Procedure.

.....

By providing your signature below, you indicate your agreement to the terms set forth above. By the provision of the signature of the Tidewater Inn Official named below, Tidewater Inn indicates its agreement, as well, to the terms set forth in this Procedure. Both parties understand that by agreeing to the terms in the Procedure, both are giving up any constitutional or statutory right they may possess to have covered claim decided in a court of law before a judge or jury.

Agreed to and acknowledged:

_____ Date _____

Agent, Tidewater Inn

Agreed to and acknowledged:

_____ Date _____

Employee Signature

Bereavement Leave Policy

Tidewater Inn has taken into consideration the personal needs that arise from the death of family members. In the event of the death of a member of your immediate family, you will be granted time off with pay as defined below *provided the completion of the proper forms*. Immediate family is defined as spouse, child, parent, grandparent, grandchild, sibling, or in-laws (mother, father, brother and sister).

- Full-time employees will be granted a maximum of three (3) scheduled work days.
- Part-time category employees will be granted a maximum of two (2) scheduled work days.

In the event of the death of a member of your extended family, you will be granted time off as defined below. Extended family is defined as aunt, uncle, niece or nephew.

- Full-time employees will be granted a maximum of one (1) scheduled work day.
- Part-time category employees will be granted a maximum of one (1) scheduled work day.

When the need of bereavement leave occurs that impose additional obligations on you, you should discuss them with your supervisor.

COBRA Benefits Policy

Tidewater Inn complies with the Consolidated Omnibus Budget Reconciliation Act (COBRA). This federal law gives covered employees (and their dependents) who have lost health benefits the right to continue group health plans for limited periods of time under certain circumstances (called "qualifying events"). All administrative rules and processes as well as changes in plan benefits and premiums apply to those on continuation coverage.

Qualifying events for employees that allow up to 18 months of benefit continuation:

- Voluntary or involuntary termination of employment for reasons other than gross misconduct.
- Reduction in the number of hours of employment.

Qualifying events for spouses that allow up to 18 months of benefit continuation:

- Voluntary or involuntary termination of the covered employee's employment for any reason other than gross misconduct.
- Reduction in the hours worked by the covered employee.

Qualifying events for spouses that allow up to 36 months of benefit continuation:

- Covered employee becoming entitled to Medicare.
- Divorce or legal separation of the covered employee.
- Death of the covered employee.

Qualifying events for dependent children that allow up to 18 months of benefit continuation:

- Voluntary or involuntary termination of the covered employee's employment for any reason other than gross misconduct.
- Reduction in the hours worked by the covered employee.

Qualifying events for dependent children that allow up to 36 months of benefit continuation:

- Loss of dependent child status under the plan rules.
- Covered employee becoming entitled to Medicare.
- Divorce or legal separation of the covered employee.
- Death of the covered employee.

In the event of divorce or legal separation, or the loss of dependent child status under the plan, a covered employee or dependent must notify Human Resources within 60 days to maintain his or her COBRA rights. Within 14 days of that notification, Human Resources will provide enrollment materials to the employee or covered dependent.

The covered employee or dependent has 60 days from either the date that coverage would ordinarily have ended under the plan due to a qualifying event or the date of notification, whichever comes later, to elect continuation of coverage. Election of coverage is established by completing and returning enrollment materials to Human Resources.

COBRA premiums will be billed by the applicable insurance provider. The first premium will be due within 45 days of the date of election. Subsequent premiums must be received within the terms set by the provider. Failure to make timely payments will result in termination of coverage without notice.

Continuation coverage will end after 18 months if the qualifying event was a termination or reduction in hours, unless the qualified beneficiary is disabled at the time of the qualifying event, in which case coverage may extend to 29 months. For all other qualifying events, continuation coverage will end after 36 months.

Early termination of COBRA continuation coverage will occur if:

- Tidewater Inn discontinues its insurance plan;
- The qualified beneficiary fails to make a premium payment in a timely fashion; or
- The person who elected continuation of coverage becomes covered under another insurance plan or Medicare.

Employee Discount Policy

Tidewater Inn is committed to extending additional benefits to its employees.

Employees are entitled to a 20 percent discount (excluding alcohol) on regularly priced food at Hunters' Tavern as well as regular priced food, merchandise and services at Knoxie's Table, The Market and The Spa at our sister property, Chesapeake Bay Beach Club (Special and/or Holiday Events and Lodging are excluded). These discounts are strictly based on availability and are extended to the employee and one guest and are intended for occasional use only.

Employer Offered Benefits

Insurance Policy

Chesapeake Bay Beach Club, LLC provides group health, dental and vision insurance plans to **eligible full-time employees**. Details concerning available plans, level of coverage and premium costs are in the benefit information provided during new hire orientation or available from Human Resources.

Chesapeake Bay Beach Club will use the Look-Back Measurement Method to determine if you are a full-time employee for the purpose of Plan Coverage.

The Look-Back Measurement Method involves three different periods:

- A **Measurement Period** for counting your hours of service to determine your status as a Full-Time employee eligible for health coverage.
 - If you are an Ongoing variable hour, part-time or seasonal employee, this Measurement Period (which is also called the “Standard Measurement Period”) will be used in determining your eligibility for health coverage during the Standard Stability Period. The Standard Measurement Period used by your Employer is the 12-month period beginning October 1st each year and ending the following September 30th.
 - If you are a New variable hour, part-time or seasonal employee, the Measurement Period (which is also known as the “Initial Measurement Period”) will be used in determining your eligibility for health coverage during the Initial Stability Period. The Initial Measurement Period used by your Employer is the 12-month period beginning on the first day of the calendar month following your start date.
- An **Administrative Period** is a short period between the Measurement Period and the Stability Period when your Employer performs administrative tasks, such as determining eligibility for health coverage and facilitating Plan enrollment.
 - If you are an Ongoing variable hour, part-time or seasonal employee, the Administrative Period (which is also known as the “Standard Administrative Period”) used by your Employer is the 2-month period beginning October 1st each year and ending the following November 30th.
 - If you are a New variable hour, part-time or seasonal employee, the Administrative Period (which is also known as the “Initial Administrative Period”) used by your Employer is the 1-month period after the Initial Measurement Period and prior to the Initial Stability Period.
- A **Stability Period** is a period that follows a Measurement Period and is the period during which you will be entitled to health coverage if you are determined to be a Full-Time employee. A Full-Time employee under the Look-Back Measurement Method is one that averages 130 or more hours of service per month during the corresponding Measurement Period. Your hours of service during the Measurement Period will determine whether you are a full-time employee who is eligible for coverage during the Stability Period. As a rule, your status as a full-time employee or a non-full-time employee is “locked in” for the Stability Period, as long as you remain an employee of the Employer. There are exceptions to this general rule for employees who experience certain changes in employment status.
 - If you are an Ongoing variable hour, part-time or seasonal employee, the Stability Period (which is also known as the “Standard Stability Period”) used by your Employer is the 12-month period beginning December 1st each year and ending the following November 30th.
 - If you are a New variable hour, part-time or seasonal employee, the Stability Period (which is also known as the “Initial Stability Period”) used by your Employer is the 12-month period beginning the first day of the first calendar month after the initial administrative period.

Special rules apply when an employee is rehired by the Employer or returns from an unpaid leave.

The rules for the Look-Back Measurement Method are very complex. Keep in mind that this is just a general overview of how the rules work. More complex rules may apply to your situation. The Company intends to follow the IRS final regulations (including any future guidance issued by the IRS) when administering the Look-Back Measurement Method. If you have any questions about this measurement method and how it applies to you, please contact Human Resources.

Insurance coverage begins on the first of the month following 60 days of full-time status. All necessary enrollment forms must be completed by the employee before this date. Current variable hour, part-time or seasonal employees who become full-time employees will be notified by Human Resources when they are eligible to enroll.

You have the option of waiving all pre-tax benefits. Should you choose to waive these benefits, you will not have another opportunity to elect them until the next Open Enrollment Period, and any after-tax coverage permitted by Chesapeake Bay Beach Club, LLC will be outside the plan. The only exception to this is in the case of a Change in Election Event for an applicable benefit. Some common Change in Election Events include changes in employment status, divorce and marriage. In these circumstances, the election change must be on account of and consistent with the Change in Election Event, as described in the Plan. Health Savings Account (HSA) contribution elections can be changed at any time and for any reason. HSA contribution election changes will become effective no later than the first day of the calendar month after the change request is filed.

As a result of termination, a reduction in work hours or if an employee goes on military leave or takes another extended leave of absence, an employee may be eligible to continue the company's group coverage by paying the monthly premium. More information will be provided when an employee becomes eligible for continuation coverage.

Employees are urged to consult the insurance summary plan description for details of the plan benefits. The plan document controls payment of any benefits.

Enrollment in group insurance is voluntary. There will be no increase in wages if an employee waives coverage. For inquiries, contact the Human Resources department.

401 (k) Plan

The Company offers a 401 (k) Retirement Plan. There is no minimum age or service requirement to make salary reduction contributions to the plan. BB&T will mail an enrollment letter directly to you. You will be automatically enrolled at 1% unless choose to opt out of the plan. Enrollment is effective the first of the month after date of hire. You are eligible for Company matching contributions after 1 year and 1000 hours of service. Contact the Human Resources Department for more information.

Employment Taxes & Voluntary Deductions Policy

As an employee of Tidewater Inn, you are responsible for paying federal, state and local taxes. This includes income, Social Security and Medicare taxes. These taxes will be automatically withdrawn from each of your paychecks at a rate that is determined by the number of deductions you claim on the Form W-4.

You may also be eligible to receive benefit coverage. Should you choose to enroll in the offered benefits program, you will be required to pay a portion of the premium cost. Your total annual contribution cost for the coverage you select will be divided by the number of pay periods in the Plan Year to determine the amount that will be deducted (on a pre-tax basis) from each of your paychecks.

You have the option of waiving all pre-tax benefits. Should you choose to waive these benefits, you will not have another opportunity to elect them until the next Open Enrollment Period, and any after-tax coverage permitted by Tidewater Inn will be outside the plan. The only exception to this is in the case of a Change in Election Event for an applicable benefit. Some common Change in Election Events include changes in employment status, divorce and marriage. In these circumstances, the election change must be on account of and consistent with the Change in Election Event, as described in the Plan. Health Savings Account (HSA) contribution elections can be changed at any time and for any reason. HSA contribution election changes will become effective no later than the first day of the calendar month after the change request is filed.

The employment taxes and voluntary deductions described above will continue to be deducted from your paycheck until changes are made to the number of deductions you claim, or until you change your benefit elections. There is a possibility, however, that your contributions for Medical and Dental Insurance Benefits will be automatically increased or decreased for changes.

Federal Family and Medical Leave Policy

As an employee of Tidewater Inn, you may be eligible to take unpaid family and medical leave under the federal Family and Medical Leave Act (FMLA). This policy provides an introduction to the rights and provisions of the federal FMLA. An FMLA summary that is based on the Department of Labor's (DOL's) model notice is attached to this policy and further explains the FMLA. If you have questions regarding the FMLA, please contact Human Resources.

Eligibility

To be eligible for leave, you must have been employed by the Company for at least 12 months. In the 12 months immediately preceding the beginning of the leave, you must also have worked at least 1,250 hours to qualify for federal FMLA. In addition, you must work in an office or work site where 50 or more employees are employed within 75 miles of that office or work site.

Amount of Leave Available

Eligible employees may take up to a total of 12 weeks of FMLA leave within a rolling 12-month period, measured backward from the date an employee uses any FMLA leave, for any combination of the following reasons:

- The birth of an employee's newborn child or the placement of a child with the employee for adoption or foster care.
- To care for the employee's spouse, child or parent with a serious health condition.
- The employee has a serious health condition that makes the him or her unable to perform the functions of their job.
- A qualifying exigency that arises because the employee's spouse, child or parent is a covered military member on covered active duty (or has been notified of an impending call or order to covered active duty).

Where leave is taken to care for a covered service member with a serious injury or illness, a spouse, child, parent or next of kin may take up to 26 weeks of unpaid FMLA leave during a single 12-month period. Eligible employees are limited to a total of 26 work weeks of FMLA-protected leave during that 12-month period. For example, an employee cannot take 26 work weeks of FMLA leave to care for a covered service member and then take 12 more weeks for other FMLA qualifying reasons.

Under the federal FMLA, spouses employed by the Company are jointly entitled to a combined total of 12 weeks of leave for the birth of a newborn child, for the placement of a child for adoption or foster care and to care for a parent who has a serious health condition. The federal FMLA does not cover care for parents-in-law. Spouses employed by the Company are jointly entitled to a combined total of 26 weeks of leave to care for a covered service member.

Types of Leave Available

Birth or Placement for Adoption or Foster Care: FMLA leave is available to eligible male and female employees for the birth of a child or for the placement of a child with the employee for purposes of adoption or foster care. FMLA leave must be completed within 12 months of the birth or placement. This type of leave may not be taken intermittently or on a reduced schedule unless the Company agrees to this request. See below for more details on non-continuous leave.

Serious Health Condition of Employee: If, as an eligible employee, you experience a serious health condition as defined by the FMLA, you may take medical leave under this policy (see "Definitions" for the definition of serious health condition). A serious health condition generally occurs when you:

- Receive inpatient care in a hospital, hospice or nursing home.
- Suffer a period of incapacity accompanied by continuing outpatient treatment or care by a health care provider.
- Have a history of a chronic condition that may cause episodes of incapacity.

The following provisions apply to leave for the serious health condition of an employee:

- *Non-continuous leave*—Medical leave may be taken all at once or, when medically necessary, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented by your treating health care provider through our medical certification process (see below).
- *Fitness-for-duty statement*—A fitness-for-duty statement will be required for you to return from a medical leave. Failure to provide the statement will result in a delay in your return to work.

Serious Health Condition of Immediate Family Member. If, as an eligible employee, you need family leave in order to care for your child, spouse or parent who experiences a serious health condition as defined by the FMLA (see “Definitions” for definitions of child, spouse, parent and serious health condition), you may take a leave under this policy.

- *Non-continuous leave*—Leave may be taken all at once or, when medically necessary, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented by the family member’s treating health care provider through our medical certification process (see below).

Qualifying Exigency Because of Active Duty. If, as an eligible employee, you need family leave because of any qualifying exigency arising out of the fact that your spouse, son, daughter or parent is on covered active duty in the Armed Forces (including the National Guard or Reserves), or has been notified that they will be called or ordered to covered active duty in the Armed Forces (including the National Guard or Reserves), you may take family leave under this policy. (See “Definitions” for a definition of qualifying exigency).

- *Non-continuous leave*— Family leave for any qualifying exigency arising out of the covered active duty of a family member may be taken all at once, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented through our certification process (see below).

Service Member Family Leave: If, as an eligible employee, you need family leave to care for a covered service member who is your spouse, child, parent or next of kin and who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is otherwise on the temporary disability retired list for a serious injury or illness, you may take up to 26 weeks of unpaid leave during a single 12-month period under this policy. (See “Definitions” for a definition of covered service member and serious injury or illness).

Effective March 8, 2013, an eligible employee may take service member family leave to care for a covered veteran who is the employee’s spouse, child, parent or next of kin and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. (See “Definitions” for a definition of covered veteran).

- *Non-continuous leave*—Service member family leave may be taken all at once or, when medically necessary, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented by the family member’s treating health care provider through our medical certification process (see below).

Notifying the Company of the Need for Family or Medical Leave

Generally, an application for leave must be completed for all leave taken under this policy. A non-emergency leave should generally be requested from Human Resources at least 30 days, or as soon as practical, in advance of the date the leave is expected to begin. In cases of emergency, you (or your representative, if you are incapacitated) should give verbal notice as soon as possible, and the application form should be completed as soon as practical. Failure to provide adequate notice may, in the case of foreseeable leave, result in a delay or denial of leave. It is your responsibility to notify your manager and Human Resources of absences that may be covered by the FMLA.

You must provide enough information regarding the reason for an absence for the Company to know that protection may exist under this policy. Failure to provide this information will result in delay or forfeiture of rights under this policy.

This means the absence may then be counted against your record for purposes of discipline for attendance or similar matters.

Medical Certification Process

In addition to an application for leave, you will be required to complete a medical certification form when leave is for a family member's or your own serious health condition. The certification form needs to be signed by the health care provider. The short-term disability certification may be enough where the information required is duplicative. These forms are available from Human Resources. Second or third certifications from health care providers and periodic recertification at the Company's or your expense may be required under certain circumstances.

We may also require periodic reports during federal FMLA leave regarding your status and intent to return to work.

Military Family Leave Certifications

In addition to an application for leave, you will be required to complete a Certification of Qualifying Exigency for Military Family Leave form when leave is for a qualifying exigency. A copy of the military member's active duty orders or other military documentation may also be required to substantiate your need for FMLA leave.

If you request leave to care for a covered service member with a serious injury or illness, you will be required to complete a medical certification form, which must be signed by the service member's health care provider. The certification form will request additional information, such as information regarding the relationship between you and the covered service member, to substantiate your need for FMLA leave.

Substituting Paid Leave for Unpaid Leave

Federal FMLA leave is unpaid. The Company requires you to substitute vacation days according to the schedule below. You may also choose to substitute additional paid or unpaid leave that you have accrued.

When you substitute vacation days or other paid leave, the absence will be counted against your entitlement to FMLA leave under this policy and will not extend your leave. In other words, you are using your paid leave concurrently with your FMLA leave.

Eligible Vacation Remaining	Required Substitution
Less than 5 days	None
5-8 days	3 days
9-12 days	5 days
13-16 days	7 days
17-20 days	9 days

When an employee is absent due to a work-related illness or injury that meets the definition of a serious health condition, the absence will be counted against the employee's entitlement under this policy. In other words, the employee is using FMLA leave concurrently with the workers' compensation absence. An employee is not required to substitute paid time off for an absence covered under workers' compensation.

You may be paid for all or part of a medical leave to the extent you are eligible for benefits such as short-term disability. An employee is not required to substitute paid time off for an absence covered under a disability benefit plan.

Non-Continuous Leave

Intermittent or reduced leave will be permitted only when it is medically necessary or for a qualifying exigency, as explained above. In all cases, the total amount of leave taken in a calendar year should not exceed your total allotment as defined earlier in this policy.

Intermittent and reduced schedule leave must be scheduled with minimal disruption to an employee's job. To the extent possible, medical appointments and treatments related to an employee's or family member's serious health condition should be scheduled outside of working hours or at such times that allow for a minimal amount of time away from work.

If you request non-continuous federal FMLA leave which is foreseeable based on planned medical treatment for yourself, a family member or a covered service member, you may be required to transfer temporarily to an available alternative position offered by the Company for which you are qualified, and which better accommodates recurring periods of leave than your regular employment position. You will be entitled to equivalent pay and benefits but will not necessarily be assigned the same duties in the alternative position. This provision may also apply if the Company approves a non-continuous leave for the birth of a child or the placement of a child for adoption or foster care.

Benefit Continuation during Leave

The Company will maintain your group health plan coverage and certain other employment benefits (such as group life insurance, AD&D insurance and health and dependent flexible spending accounts) during your FMLA leave on the same terms as if you had continued to work, if these benefits were provided to you before the leave was taken. You will be required to pay your regular portion of premiums – contact Human Resources for an explanation of your options.

Benefits that are accumulated based upon hours worked will not accumulate during the period of FMLA leave.

In some instances, the Company may recover premiums it paid to maintain health plan coverage for an employee who fails to return to work from FMLA leave.

Returning to Work

If the reason for FMLA leave is for your own serious health condition, you will be required to present a fitness-for-duty certification immediately upon return to work.

If you wish to return to work before the scheduled expiration of FMLA leave, you must notify the Company of the change in circumstances as soon as possible, but no later than two working days prior to your desired return date.

If you exhaust all leave under this policy and are still unable to return to work, you must notify the Company as soon as possible. Your situation will be reviewed to determine what rights and protections might exist under other Company policies.

Rights upon Return from Leave

Upon return from family or medical leave, you will be returned to the position you held immediately prior to the leave, if the position is vacant. Certain exceptions exist for key employees, as defined by law. If the position is not vacant, you will be placed in an equivalent employment position with equivalent pay, benefits and other terms and conditions of employment.

The law provides that an employee on leave has no greater rights than the employee would have had if the employee had continued to work. Therefore, you may be affected by a layoff, termination or other job change if the action would have occurred had you remained actively at work.

Other Types of Leave

If you do not qualify for the types of leave described in this policy, the Company may approve a personal leave of absence, depending on your circumstances. Except where mandated by law, we cannot guarantee that benefits will continue or that your position will remain open in your absence.

Definitions

“Spouse”—A husband or wife as defined or recognized under state law for purposes of marriage in the state in which the marriage was entered. This definition also includes an individual in a same-sex or common law marriage that was entered in a state that recognizes these marriages. An opposite-sex, same-sex or common law marriage that was entered outside of any state will be recognized if the marriage is valid in the place where it was entered into and the marriage could have been entered into in at least one state.

“Parent”—A biological parent, adoptive parent, stepparent, foster parent or an individual who provides or provided day-to-day care or financial support to the child. Parent does not include a parent-in-law under this law.

“Child”—A biological, adopted or foster child, stepchild, legal ward or a child who is receiving day-to-day care or financial support from the employee and is under the age of 18. Child also includes a person 18 years of age or older who is incapable of self-care because of a mental or physical disability. For military family leave, the child does not have to be a minor (under the age of 18) and can be of any age.

- “Incapable of self-care”—The child requires active assistance or supervision to provide daily self-care in three or more “activities of daily living,” or “instrumental activities of daily living,” including adaptive activities such as caring appropriately for one’s grooming and hygiene, bathing, dressing, eating or instrumental activities such as shopping, taking public transportation or maintaining a residence.
- “Physical or mental disability”—A physical or mental impairment that substantially limits one or more major life activities of the individual.

“Covered Service Member”—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 the temporary disability retired list for a serious injury or illness.

“Covered Veteran”—An individual who is undergoing medical treatment, recuperation or therapy for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) and was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran.

“Next of Kin”—Used with respect to an individual, this means the nearest blood relative of that individual, other than the spouse, parent or child.

“Serious Health Condition”—Illness, injury, impairment, or physical or mental condition that involves:

- Inpatient care in a hospital, hospice or residential medical care facility.
- A period of incapacity of more than three consecutive calendar days (including any subsequent treatment or period of incapacity relating to the same condition) that also involves: 1) treatment two or more times within 30 days of the first day of incapacity, unless extenuating circumstances exist, by or under the orders of a health care provider; or 2) treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of a health care provider. The first (or only) visit must occur in person within seven days of the first day of incapacity.
- Any incapacity due to pregnancy or for prenatal care.
- Chronic conditions requiring periodic treatment by or under the supervision of a health care provider, which continue over an extended period and may cause an episodic rather than a continuing period of incapacity (for example, asthma, diabetes and epilepsy).

- Permanent or long-term conditions requiring supervision for which treatment may not be effective (for example, Alzheimer's, a severe stroke or the terminal stages of a disease).
- Multiple treatments by or under the supervision of a health care provider either for restorative surgery after an accident or other injury or for a condition that would likely result in a period of incapacity of more than three calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy), severe arthritis (physical therapy) or kidney disease (dialysis).

“Serious Injury or Illness”—can be:

- In the case of a member of the Armed Forces, including a member of the National Guard or Reserves, an injury or illness incurred by the member in the line of duty on active duty in the Armed Forces (or 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.
- In the case of a veteran who was a member of the Armed Forces, including a member of the National Guard or Reserves, an injury or illness incurred by the member in the line of duty on active duty in the Armed Forces (or 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 manifested itself before or after the member became a veteran and is:
 - 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 servicemember unable to perform the duties of the servicemember's office, grade, rank or rating;
 - A physical or mental condition for which the covered veteran has received a U.S. Department of Veterans Affairs 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 servicemember family leave;
 - A physical or mental condition that substantially impairs the covered 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
 - 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.

“Qualifying Exigency”—includes:

- Short-notice deployment (seven days or less).
- Military events and related activities.
- Child care and school activities.
- Financial and legal arrangements.
- Counseling.
- Rest and recuperation (up to 15 days) .
- Post-deployment activities.
- Parental care.
- Additional activities agreed to by the Company and the employee.

More Information: Please contact Human Resources Department

EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FAMILY AND MEDICAL LEAVE ACT

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son, daughter or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is: (1) a current 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 the temporary disability retired list, for a serious injury or illness*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

***The FMLA definitions of "serious injury or illness" for current servicemembers and veterans are distinct from the FMLA definition of "serious health condition".**

Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months*, and if at least 50 employees are employed by the employer within 75 miles.

***Special hours of service eligibility requirements apply to airline flight crew employees.**

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a

regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this 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 planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose, or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide enough information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Enough information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA; and
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulation 29 C.F.R. § 825.300(a) may require additional disclosures.

Military Leave Policy

Tidewater Inn provides military leave to eligible employees in compliance with federal and state laws, including the federal Uniformed Services Employment and Reemployment Rights Act (USERRA). Questions regarding the Company's military leave policy should be directed to Human Resources.

Employees should notify their managers as soon as they become aware of a military service obligation.

Leave for Annual Training

Employees who are members of the U.S. Army, Navy, Air Force, Marines or Coast Guard Reserves or the National Guard may be granted leaves of absence for the purpose of participating in Reserve or National Guard training programs.

Employees will be granted the minimum amount of leave needed to meet the minimum training requirements of their units. No employee will be required to use vacation time for military duty, but employees who do elect to schedule their vacations to coincide with military duty will receive their full regular vacation pay in addition to any pay from the military.

In recognition of the public service performed by Reservists and members of the National Guard, employees will receive the difference between their regular pay and their service pay, excluding any military subsistence allowance or other expense allowances during the training period. If state law requires a different arrangement, Tidewater Inn will comply with state law. Please contact Human Resources with any questions.

Leave for Military Service

Permanent employees who perform service in the uniformed services may be granted leaves of absence for the purpose of participating in military service. Under USERRA, "uniformed services" consists of the U.S. Army, Navy, Marine Corps, Air Force and Coast Guard and their Reserve components, U.S. National Guard and Air National Guard, the Commissioned Corps of the Public Health Service and any other category of persons designated by the President of the United States in time of war or emergency.

Employees will be granted leave as required to complete the military service, for up to five years of cumulative uniformed service-related absences. Some special categories of military service are exempt from this five-year limit.

Employees with leaves of less than 31 days must report back to work by the beginning of the first regularly scheduled work period after the end of the last calendar day of service, plus the time required to return home safely and have an eight-hour rest period.

Employees with leaves between 31 and 180 days must apply for re-employment no later than 14 days after completion of uniformed service. Employees with leaves longer than 180 days must apply for re-employment no later than 90 days after completion of uniformed service.

The reporting or application deadlines are extended for persons who are hospitalized or convalescing because of an injury or illness incurred or aggravated during the performance of military service.

Returning service members will be re-employed in the job that they would have attained had they not been absent for military service, with the same seniority, status and pay, as well as other rights and benefits determined by seniority (escalator position). The Company will make reasonable efforts (such as training or retraining) to enable returning service members to refresh or upgrade their skills to help them qualify for re-employment. However, certain exceptions apply, and a service member may be placed in an alternative re-employment position if he or she cannot qualify for the escalator position.

Re-employed service members are entitled to the seniority and rights and benefits based on seniority that they would have attained with reasonable certainty had they remained continuously employed.

During a period of military service, the employees will be treated as if they are on a furlough or leave of absence. Consequently, during their period of service they are entitled to participate in any rights and benefits not based on seniority that are available to employees on comparable nonmilitary leaves of absence.

If an employee's health plan coverage would terminate because of an absence due to military service, he or she may elect to continue the health plan coverage for up to 24 months after the absence begins or for the period of service (plus the time allowed to apply for re-employment), whichever period is shorter. The employee may be required to pay up to 102 percent of the full premium for the coverage. However, if the military service is for 30 or fewer days, the employee cannot be required to pay more than the normal employee share of any premium.

Paid Time Off Policy

Tidewater Inn believes that employees should have opportunities to enjoy time away from work to help balance their lives. The Company grants Paid Time Off (PTO) for *eligible full-time employees*. The amount of time allowed depends on your length of service.

All employees are required to submit a written request for PTO at least thirty (30) days in advance. This form should be submitted to the employee's supervisor for approval. Supervisors will resolve situations with multiple leave requests within a department by considering factors such as:

- Departmental staffing needs.
- Seniority.
- Length of desired vacation.
- Elapsed time since employee's last five-day (or longer) vacation.

For the purpose of this policy, a PTO day is counted as eight (8) hours and is not considered time worked for the calculation of overtime.

Maryland Earned Sick and Safe Leave: Employees ages 18 and over who regularly work 12 hours or more a week are eligible to accrue sick and safe leave. Employees may accrue one hour of paid sick/safe time for every 30 hours worked - up to 40 hours a year. A maximum of 40 hours may be carried over at the end of the year not to exceed more than 64 hours of leave available at any time and is not paid at the end of employment. The employee pay stub will reflect the amount of accrued time available and used for the current calendar year.

If you are unable to report for work, you must notify your supervisor at the earliest possible time prior to the beginning of your workday. If you are going to miss time for appointments, et cetera, requiring less than a full day, you may be granted time off in minimum quarter-hour increments. Full days will be counted as eight (8) hours.

You must report any illness or injury that you suffer to your supervisor. If it is necessary to leave work due to illness or injury, you may be required to present a physician's statement to your supervisor, upon return, that you are well and able to return to your duties and responsibilities.

Calling your supervisor does not excuse the absence. In fact, no absence is automatically considered to be "excused" as such. Your attendance record is an important factor considered by the Company at the time of performance and merit increase reviews.

An employee may be asked to provide a doctor's statement in verification of any illness causing an employee to miss time from work. If an employee is absent for three (3) or more consecutive days due to illness or injury, a physician's statement may be requested verifying the illness and its beginning and expected ending dates.

The employee pay stub will reflect the amount of Vacation time available and used for the current calendar year, based on the amount earned/accrued in accordance with the employee's length of full-time employment.

- After 1 Year 1 Week (5 Days/40 hrs.) Paid Vacation
- After 3 Years 2 Weeks (10 Days/80 hrs.) Paid Vacation
- After 6 Years 3 Weeks (15 Days/120 hrs.) Paid Vacation

These amounts of Paid Vacation apply to all eligible employees (hourly or salaried) unless a different amount is established in writing, signed by the Department Manager and/or COO. Any Vacation time not used during the calendar year will NOT carry over. They are in addition to the Personal/Sick Leave.

A written request for time off must be completed by the employee, approved by the direct supervisor and turned into the Human Resources department before the end of the pay period. No employee may take more than one (1) week paid vacation during the peak season. You are limited to a maximum of five (5) vacation days at a time. CBBC is in the hospitality business and because of this CBBC will not grant vacation or personal/sick time on any Friday that precedes a holiday weekend.

Holidays: The Company observes the following holidays:

- New Year's Day
- Memorial Day
- Independence Day (July 4th)
- Labor Day
- Thanksgiving Day
- Christmas Day

Eligible hourly employees who are required to work on a Holiday listed above will be compensated for the hours worked in addition to receiving the eight (8) hours Holiday pay. Salaried employees required to work a Holiday listed above can take that Paid Holiday at another time, approved in advance by their Department Manager and/or COO. These are the only Holidays that will be paid for any CBBC employee.

When a legal holiday falls during an employee's scheduled PTO it will be paid as a Holiday - not PTO.

In the case of termination due to resignation, retirement or a permanent reduction in the work force, your accrued vacation pay may be paid on a pro-rata basis, provided proper notice has been given to your supervisor. Unused personal time is not paid upon termination. In the case of termination, any vacation time or personal/sick time used in excess of the accrued time will be deducted from your final paycheck.

Termination of employment for cause, dishonesty, breach of trust, etc., or voluntary termination not covered above, will result in the forfeiture of unused PTO benefits.

Please contact Human Resources with all questions or concerns.

Anti-harassment Policy

Tidewater Inn is committed to providing a workplace free from discrimination, harassment and retaliation. Therefore, Tidewater Inn will not tolerate harassment of any type based on race, color, religion, sex (including pregnancy), national origin, age, disability, or genetic information and other characteristics protected under state, federal or local laws. Such conduct in any form is prohibited in the workplace, at work-related functions or outside of work if it affects employees in the workplace. This policy applies to all employees, clients, customers, guests, vendors and persons doing business with Tidewater Inn.

All employees must ensure they understand this policy and their obligations. Whether an employee's conduct violates this policy will be based how an employee's conduct is received and whether a reasonable person would find the conduct to be in violation of the policy.

Harassment is defined as unwelcome conduct that is based on race, color, religion, sex (including pregnancy), national origin, age, disability or genetic information. Harassment becomes unlawful where:

- Enduring the offensive conduct becomes a condition of continued employment; or
- The conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile or abusive.

Anti-discrimination laws also prohibit harassment against individuals in retaliation for filing discrimination charges, testifying or participating in investigations, proceedings or lawsuits under these laws, or, for opposing employment practices that they reasonably believe discriminate against individuals, in violation of these laws.

Petty slights, annoyances and isolated incidents (unless extremely serious) will not rise to the level of illegality. To be unlawful, the conduct must create a work environment that would be intimidating, hostile or offensive to reasonable people.

Offensive conduct may include, but is not limited to, offensive jokes, slurs, epithets or name-calling, physical assaults or threats, intimidation, ridicule or mockery, insults or put-downs, offensive objects or pictures, and interference with work performance. Harassment can occur in a variety of circumstances, including, but not limited to, the following:

- The harasser can be the victim's supervisor, a supervisor in another area, an agent of the employer, a co-worker or a non-employee.
- The victim does not have to be the person harassed but can be anyone who is affected by the offensive conduct.
- Unlawful harassment may occur without economic injury to, or discharge of, the victim.

Appropriate performance reviews, counseling or discipline by your manager do not constitute harassment.

If you feel that you are being harassed, you should take the following steps:

- Tell the harasser that his or her actions are not welcome and that they must stop, if you feel comfortable enough to do so.
- Report the incident immediately to your manager or Human Resources representative.
- Report any additional incidents or retaliation that may occur to your manager or Human Resources representative.

All reports will be investigated immediately and thoroughly. Complaints and actions taken to resolve complaints will be handled as confidentially as possible. Appropriate actions will be taken to stop and remedy such conduct, including interim measures during a period of investigation.

Retaliating or discriminating against an employee who reports a suspected incident of harassment or who cooperates in an investigation is prohibited. Employees who violate this policy or retaliate against an employee in any way will be subject to disciplinary action, up to and including termination.

Code of Ethics Policy

Tidewater Inn maintains specific policies to attempt to assist employees in adhering to certain standards of conduct. These written policies as well as the day-to-day operational and departmental standards and/or procedures are in place to preserve the Company's reputation and prevent adverse consequences to all parties involved. This policy is designed to establish standards of conduct with respect to payments and political contributions.

Prohibition of Improper Payments

The Company requires all employees to only use lawful practices involving payments to customers, political parties, officials, candidates or governmental authorities. As a result, kickbacks and bribes offered with the intent of inducing or rewarding specific buying decisions or actions are strictly prohibited. No Company employee may offer to make direct or indirect payments of value in the form of compensation, gifts or contributions to any of the following:

- Persons or firms employed by or acting on behalf of a customer (private or governmental) for the purpose of rewarding favorable actions in a transaction.
- Any governmental officials, political parties or officials of a party or candidate for political office, for the purpose of rewarding favorable actions or influence of the official, party or candidate.

These restrictions are not applicable to ordinary, reasonable business entertainment expenses and gifts of no substantial value. Management should exercise sound judgment and discretion with regard to controlling and authorizing these business expenses on a regular basis.

Political Contributions

The Company will not make any contributions to any political party or candidate for political office in violation of federal or state law. Federal law generally prohibits corporations from making direct contributions or expenditures in connection with an election, subject to some limited exceptions. There are, however, various states that do allow corporate contributions to political parties and candidates in conjunction with state and local elections.

Reporting to Management

Any employee who must authorize, make or agree to a payment that may be contrary to this policy must report this information to his or her supervisor or to the Company's legal counsel immediately. If an employee learns that a coworker is engaging in conduct contrary to this policy, the employee must report this information immediately to his or her supervisor or the Company's legal counsel immediately as well. Management personnel who receive a report will promptly discuss the issue with legal counsel for further investigation.

Antitrust Laws

Antitrust laws are relevant to many business decisions, and those who engage in illegal actions against such laws are subject to fines and imprisonment. Management will help guide employees in abiding by antitrust decrees applicable to the Company. The Company intends to comply with all U.S. antitrust laws applicable to normal business operations and will hold employees responsible for abiding by these laws as well.

In compliance with Section I of the Sherman Antitrust Act:

No employee may enter into an agreement (expressed or implied, formal or informal, written or oral) with any competitor restricting any of the following conditions or business offering (to include but not limited to):

- Prices
- Costs
- Profits
- Offerings of products and services
- Terms of sale conditions
- Production or sales volume
- Production capacity
- Market share
- Quote decisions
- Customer selection
- Sales territories
- Distribution methodology
- Electronic Records
- Financial Information

No employee may enter into an agreement with a purchaser or lessee restricting the right of the purchaser or lessee to determine the price to resell or lease the product in question. Employees may also not enter in such agreements when the Company is the purchaser or lessee in the agreement.

The following situations may be in violation of antitrust laws under certain circumstances. Employees may not enter into these agreements without consulting legal counsel in advance and obtaining clearance to enter into such agreements.

- Agreements with customers or suppliers regarding the sales or purchases of reciprocal purchases or sales by customers or suppliers.
- Agreements with purchasers or lessees of products of the Company that would restrict customers from using or reselling products as they choose to do so.
- Agreements with any party that would restrict all parties involved to manufacture a product or provide a service to a third party.

Exchange of Information with Competitors

Communication with competitors would be an infringement of antitrust laws, specifically if the communication is accompanied by some action. The prohibitions of this policy are intended to avoid antitrust infringements. Under this policy, no employee may discuss information on any subject with a competitor or another third party acting on behalf of a competitor to remain compliant with Section I of the Sherman Antitrust Act, unless the Company's legal counsel determines that the communication would not violate antitrust laws.

When participating in trade associations and other meetings with competitors, employees may not attend:

- Unauthorized meetings with competitors.
- Meetings where the communication with competitors is in violation of the paragraph above.
- Meetings for trade associations held to discuss business without adhering to the formal rules established by the trade association for its meetings.

Employees must recognize that participating in development and product certification events impacting competitors or suppliers, as well as Tidewater Inn management working outside the company in a related field for profit using Tidewater Inn related knowledge, staff, materials, etc. (example Sales Managers doing private parties at another facility or residence) may initiate antitrust violations. Consult with the Company's legal counsel before attending or participating in any event that may develop standards or certify products with competitors.

Violations of this Policy

If an employee violates this policy, he or she may be subject to termination or other disciplinary action to prevent future violations. The following individuals may be subject to disciplinary action or termination:

- Employees who are in direct violation of this policy.
- Employees who deliberately withhold information concerning the violation of this policy or fail to report a violation of this policy.
- Management personnel who fail to report violation of this policy by their subordinates.

If an employee is accused of violating antitrust laws, yet he or she did consult legal counsel and acted in good faith, the employee may not face disciplinary action under this policy. The Company may also assist in the employee's defense, within the confines of the law.

Complaint Policy

Tidewater Inn strives to be responsive to our employees' concerns. We understand that problems, misunderstandings and frustrations may arise from time to time. Therefore, we encourage open communication. Any concerns employees have should be promptly reported to management so that a solution may be devised. To facilitate this, an employee may use the procedure outlined in this policy to resolve or clarify his or her concerns.

All complaints should be made in good faith.

Step 1: The employee should discuss the situation with his or her immediate supervisor. If the issue involves the employee's supervisor, the employee may discuss it with another member of management or Human Resources. The supervisor or other member of management should respond to the employee within five working days of meeting with the employee about this issue.

Step 2: If the issue is not resolved to the mutual satisfaction of the employee and supervisor, or if the supervisor fails to respond within five working days, the employee may submit a written complaint to the employee's director or department head. The employee may ask Human Resources staff for assistance in writing the complaint. The employee has five working days from when the initial decision was received to submit this second-level complaint.

The written complaint should include:

- An explanation of the incident and the date the incident occurred.
- Suggestions for ways to resolve the problem.
- A copy of the immediate supervisor's written response or a summary of his or her verbal response and the date when the employee met with the supervisor. If the supervisor provided no response, this should be stated.

Upon receipt of the complaint, the director/department head will schedule a meeting with the employee. This meeting will take place within five working days of receiving the complaint. Within five working days of this meeting, the director/department head should issue a decision orally and in writing to the employee.

Step 3: If the employee is dissatisfied with the decision received through Step 2, he or she may appeal the decision. Appeals must be submitted, in writing, to Human Resources within five days of receiving the director's/department head's decision.

Human Resources may meet with the parties involved to facilitate a resolution. Human Resources will submit a final resolution to the COO for his or her approval. Then, the final decision will be provided to the employee both in writing and orally. Human Resources will provide the employee with the final decision no more than 15 working days from the date it was received. The decision cannot be appealed beyond this step.

Examples of some complaints employees may have:

- Suggestions for improvement.
- Concerns about working conditions.
- Issues with co-workers.
- Concerns about treatment at work.

If an employee fails to appeal from one step to the next within the time limit of five working days, the issue will be considered settled based on the last decision provided.

Tidewater Inn reserves the right to impose disciplinary action for any conduct it considers disruptive or inappropriate. The circumstances of each situation may differ, and the level of management action may vary depending on the factors of the situation.

No Tidewater Inn employee will be subject to retaliation for filing a complaint under this policy.

When a complaint is voiced, management will do its best to remedy the situation. Every employee may not be satisfied with every solution; however, employee input is valued and Tidewater Inn wants to foster an environment where all employees feel comfortable reporting their concerns.

Disciplinary Action Policy

Disciplinary actions may entail verbal, written and final warnings, suspensions and termination. Not all of these actions may be followed in all instances. Tidewater Inn reserves the right to exercise discretion in discipline. Prior warning is not a requirement for termination. All disciplinary actions will be documented; documentation will be placed in personnel files.

Tidewater Inn reserves the right to take any disciplinary action the company considers appropriate, including termination, at any time. In addition to those situations discussed elsewhere in this handbook, listed below are some examples where immediate termination could result. This list is general in nature and is not intended to be all inclusive:

- Discourtesy to a customer, vendor, guest, other employees, management, owners or the general public resulting in a complaint or loss of good will.
- Refusal or failure to follow directions from management; insubordination.
- Breach of confidentiality relating to employer, employee, customer or vendor information.
- Altering, damaging or destroying company property or records, or another employee's property.
- Dishonesty.
- Providing false or misleading information to any company representative or in any company records, including the employment application, benefits forms, time cards, expense reimbursement forms and similar records.
- Fighting or engaging in disorderly conduct on the company's or a customer's premises or off-site while representing the company.
- Violations of any of company's employment policies including, but not limited to, confidentiality, security, solicitation, insider trading, conflict of interest and code of conduct.
- Conduct or performance issues of a serious nature.
- Failure of a drug or alcohol test.
- Weapons of any kind on grounds.
- Failure to report to work for scheduled shift – no show / no call.

Drug and Alcohol Testing Policy

Tidewater Inn is committed to protecting the safety and well-being of all employees in our workplace. We recognize that alcohol abuse and drug abuse pose a significant threat to our goals. For this reason, we have established an alcohol and drug-free workplace policy that balances our respect for individuals with the need to maintain an alcohol and drug-free environment.

Any individual who conducts business for Tidewater Inn or applies for a position with the company is covered by our drug-free workplace policy. Our policy includes, but is not limited to, full-time employees, part-time employees, volunteers, contractors, interns and applicants. Our drug-free workplace policy is intended to apply whenever anyone is representing or conducting business for Tidewater Inn. Therefore, this policy applies during all working hours, whenever an individual is conducting business or representing the company, and while an individual is on call, on company property and at company-sponsored events.

It is a violation of this policy to use, sell, possess, trade and/or offer to sell alcohol, illegal drugs or intoxicants. In accordance with the federal Drug-Free Workplace Act, individuals convicted of a criminal drug violation, including misdemeanors, occurring on company property or company time must notify Tidewater Inn within five calendar days of the conviction. This includes any findings of guilt, pleas of "no contest" and impositions of fines, jail sentences or other penalties. The company will take appropriate action within 30 days of notification. Federal agencies will be notified when appropriate.

State Marijuana Laws do NOT affect an Employer's rights to:

- Prohibit employees from using marijuana at work or during work hours.
- Prohibit employees from being under the influence of marijuana at work or during work hours.
- Require employees or applicants to undergo drug testing.

Disciplinary Actions

Employees who test positive for drugs and/or alcohol, or who refuse to submit to testing, will be subject to disciplinary action(s), up to and including termination. An employee who tests positive for drugs and/or alcohol may be required to complete any (or all) of the following actions before he or she can return to work:

- Sign the Rehabilitation Agreement form.
- Successfully complete an assessment and/or treatment for drug and/or alcohol abuse.
- Receive a certification issued by a qualified medical professional stating that he or she is free from drug and/or alcohol use.
- Take a drug and/or alcohol test, receive negative test results and consent to follow-up testing.

Testing

Employees are subject to random drug and alcohol testing at any time, with or without notice. To ensure accuracy and fairness, all testing will be conducted according to Substance Abuse and Mental Health Services Agency (SAMHSA) guidelines, where applicable and will include a screening test; a confirmation test; the opportunity for a split sample; review by a Medical Review Officer, including the opportunity for employees who test positive to provide a legitimate medical explanation, such as a physician's prescription, for the positive result; and a documented chain of custody. All drug-testing information will be maintained in separate confidential records.

- *Random Testing:* All employees are subject to random testing. Typically, our testing provider, rather than Tidewater Inn will conduct the selection of employees required to participate at any given date. Random testing will take place as required by law, contract or industry practice.
- *Reasonable Suspicion Testing:* If there is suspicion that an employee is under the influence of drugs and/or alcohol while on company property or time, the employee will be required to take a drug and/or alcohol test.

Reasonable suspicion will be based on observable instances or actions such as, but not limited to, the following:

- Dangerous conduct.
 - Unexplained decrease in job performance.
 - Hostile interpersonal relations.
 - Possession of drug paraphernalia.
 - Noticeably reduced short-term memory.
 - Physical symptoms (including bloodshot eyes, slurred speech and vomiting).
 - Anxiety.
 - Inability to concentrate.
- *Post-accident Testing:* Employees who are directly involved in, or whose actions contributed to, an accident on the job may be required to submit to a drug and/or alcohol test if there is reasonable suspicion that there is a connection between the incident and the use of drugs or alcohol. Testing will take place as soon as possible after the incident occurs. Accidents include all Occupational Health and Safety Administration (OSHA) recordable incidents, actions or omissions that result in near-miss accidents, and accidents involving injury requiring first aid or off-site medical attention. Accidents also include property damage caused by human error.
 - *Follow-up Testing:* Employees who have tested positive for drugs and/or alcohol, and employees who have attended drug and/or alcohol-related counseling may not return to work until they have been evaluated by a medical professional in a substance abuse treatment facility and have successfully passed a drug and/or alcohol test. Employees who return to work will be subject to follow-up tests, all of which will be unannounced.

Any employee who tests positive will be immediately removed from duty.

Each of the following actions constitutes a refusal to submit to testing:

- Failure to provide an adequate urine, blood, breath or saliva specimen for a drug and/or alcohol test without a valid medical explanation.
- Failure to be escorted to a testing facility.
- Tampering with, adulterating or diluting a specimen.
- Refusing to sign a Chain of Custody form at the testing facility.

Employees do have the option to refuse to submit to drug and/or alcohol tests; however, doing so will constitute a violation of this policy. Refusal to take a drug and/or alcohol test will also be considered a positive test result, which subjects the employee to disciplinary action(s). Job applicants who refuse to submit to drug and/or alcohol testing will be not considered for employment.

Collection of Specimens and Testing

Tidewater Inn subscribes to the collection and testing procedures outlined by SAMHSA. This protocol protects the privacy and confidentiality of the employee. Under certain circumstances, protocol requires that specimen donors provide a fresh specimen in the presence of a witness; however, this only occurs if there is suspicion of any of the following:

- The specimen is not from the donor.
- The specimen was altered or tampered with.
- The collection is part of a post-treatment monitoring program.
- The donor adulterated the previous specimen.

All specimens collected for drug and/or alcohol testing will be processed using employees' Social Security numbers as identification to ensure confidentiality.

Necessary Forms

Specimens will be tracked using a Custody and Control Form from the point of submission through destruction. Employees submitting specimens will be required to sign the Custody and Control Form. If an employee does not sign this form, a retest will be requested. An employee who refuses to sign after it is requested of him or her will be considered as having refused testing and will be subject to disciplinary action.

Laboratory Testing

All drug and/or alcohol testing will be conducted in a laboratory certified by Department of Health and Human Services (HHS), according to the following procedures: (1) specimens will be screened for amphetamines, benzoylecgonine (cocaine), opiates, phencyclidine (PCP) and tetrahydrocannabinol (THC or marijuana); and (2) test results will be confirmed by gas chromatography/mass spectrometry (GC/MS). Tidewater Inn reserves the right to test for other substances as well.

No specimen will be considered positive until it has been confirmed at the level established by HHS. If no established levels have been set by HHS for a tested substance, Tidewater Inn will hold the testing facility responsible for establishing an acceptable level.

Test results for alcohol revealing a blood alcohol content of .04 or greater will be considered positive.

Results

Positive test results will be reported to the Medical Review Officer (MRO), who will then contact the employee to discuss the results. Should the MRO be unable to contact the employee, he or she will contact Tidewater Inn for assistance. If the MRO cannot contact the employee within five days of testing or the results reveal a major safety concern, the MRO may disclose positive test results to Tidewater Inn. At that point, Tidewater Inn reserves the right to take the employee off active duty until the MRO can contact the employee. When the MRO does contact the employee, and only if he or she can provide a viable reason for why the test came back positive, then the positive test result will be reported to Tidewater Inn as negative.

Use of Prescription Medications

Nothing in this policy prohibits the appropriate use of prescription medication as legally prescribed by a licensed physician. If an employee is taking prescription medication with potential side effects that may infringe on the safety of the employee or others, he or she must notify Tidewater Inn. Failure to do so may result in disciplinary action, up to and including termination.

Tidewater Inn may contact the employee's physician to investigate whether it is necessary to impose restrictions on job duties because of the employee's use of prescription medication. If Tidewater Inn and the physician determine that the employee should be removed from performing his or her job duties, Tidewater Inn will notify the employee immediately.

Confidentiality

Results of all drug and/or alcohol testing will be kept separate from employee personnel files and treated as confidential information. No results, whether positive or negative, will be shared with anyone outside of the employee's direct supervisory chain of command, except when necessary for treatment or physician confirmation purposes.

NOTE: Tidewater Inn may disclose the results of a drug and/or alcohol test to decision-makers in a lawsuit, grievance or other proceeding initiated by or on behalf of the employee.

Drug-free Workplace Policy

We recognize alcohol and drug abuse to be potential health, safety and security problems. It is expected that all employees will assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances. Compliance with this Drug-free Workplace Policy is a condition of employment.

Employees are prohibited from the following when reporting for work, while on the job, on Company or customer premises or surrounding areas or in any vehicle used for Company business:

- The unlawful use, possession, transportation, manufacture, sale, dispensation or other distribution of an illegal or controlled substance or drug paraphernalia.
- State Marijuana Laws do NOT affect Employers rights to:
 - Prohibit employees from using marijuana at work or during work hours.
 - Prohibit employees from being under the influence of marijuana at work or during work hours.
 - Require employees or applicants to undergo drug testing.
- The unauthorized use, possession, transportation, manufacture, sale, dispensation or other distribution of alcohol.
- Being under the influence of alcohol or having a detectable amount of an illegal or controlled substance in the blood or urine (“controlled substance” means a drug or other substance as defined in applicable federal and state laws on drug abuse prevention).
- Serving alcohol to minors.

Any employee violating these prohibitions will be subject to disciplinary action up to and including termination.

Any employee convicted under any criminal drug statute for a violation occurring while on the job, on Company or customer premises or in any vehicle used for Company business must notify the Company no later than five days after such a conviction. A conviction includes any finding of guilt or plea of no contest and/or imposition of a fine, jail sentence or other penalty.

Drug and alcohol testing will be carried out in compliance with any applicable state and federal laws and regulations.

Disciplinary action will be taken for drug-related crimes, regardless of whether they happened during working hours or on an employee’s own time.

We recognize that employees suffering from alcohol or drug dependence can be treated. We encourage any employee to seek professional care and counseling prior to any violation of this policy.

Sexual Harassment Policy

Tidewater Inn prohibits sexual harassment of all kinds. This policy applies not only to employees, but also to clients, customers, guests, vendors and anyone else doing business with Tidewater Inn. Any employee who feels that he or she has been a victim of sexual harassment, or who believes that he or she has witnessed sexual harassment, should (if possible) directly and immediately inform the harasser that the conduct is unwelcome and that he or she must stop. The victim should also notify Human Resources immediately.

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, offensive remarks about a person's sex, and other verbal or physical conduct of a sexual nature. Such activities are illegal when:

- Submission is made a term or condition, either explicitly or implicitly, of an individual's employment.
- Submission to or rejection by an individual is used as a factor in decisions affecting that individual's employment.
- Their purpose or effect of interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

Sexual harassment includes many forms of offensive behavior, including the harassment of a person of the same gender as the harasser. The harasser can be the victim's supervisor, an agent of the employer, a supervisor in another area, a co-worker or a non-employee. The victim does not have to be the person harassed but could be anyone affected by the offensive conduct. Examples of sexual harassment include, but are not limited to, the following:

- Unwelcome sexual flirtation, advances or propositions.
- Verbal comments related to an individual's gender or sexual orientation.
- Explicit or degrading verbal comments about another individual or his or her appearance.
- The display of sexually suggestive pictures or objects in any workplace location, including transmission or display via computer.
- Any sexually offensive or abusive physical conduct.
- The taking of or the refusal to take any personnel action based on an employee's submission to or rejection of sexual overtures.
- Displaying cartoons or telling jokes which relate to an individual's gender or sexual orientation.

It is important to Tidewater Inn that all employees are protected from harassment. Any incidents that are perceived as harassment will be investigated and appropriate action will be taken by Tidewater Inn.

Standards of Conduct Policy

Tidewater Inn adopts this policy to ensure orderly operations and to provide the best possible work environment. Tidewater Inn expects employees and others who may be engaged to provide services from time to time (such as temporary personnel, consultants and independent contractors) to adhere to these standards of conduct while on company premises, attending company functions or otherwise performing work-related activity and representing Tidewater Inn.

Tidewater Inn is responsible for providing a safe and secure workplace and strives to ensure that all individuals associated with our company are treated in a respectful and fair manner. While not intended to list all the forms of behavior that are considered unacceptable, the following are examples of conduct that may result in disciplinary action:

- Theft or inappropriate removal or possession of property.
- Falsification of records, including timekeeping.
- Working under the influence of alcohol or illegal drugs.
- Possession, manufacture, sale, transfer, distribution or use of alcohol or illegal drugs in the workplace, while representing the company, or while operating employer-owned vehicles or equipment.
- Fighting or threatening violence in the workplace.
- Immoral actions or intimidating others.
- Boisterous or disruptive activity in the workplace.
- Negligence or improper conduct leading to damage of company, customer or co-worker's property.
- Insubordination or other disrespectful conduct.
- Violation of safety or health rules.
- Sexual or other unlawful or unwelcome harassment or touching.
- Excessive absenteeism or any absence without notice.
- Unauthorized use of telephones or other company equipment.
- Using company equipment for purposes other than business.
- Unauthorized disclosure of confidential information.
- Violation of personnel policies.
- Unsatisfactory performance or conduct.
- Serving alcohol to minors.

Any employee who deviates from these rules and standards will be subject to disciplinary action, up to and including termination of employment.

Work Ethic and Attitude

A positive and upbeat attitude is expected at all times of each employee. A healthy, fresh, positive, cooperative and accommodating approach is essential in achieving a totally professional atmosphere.

Campus/Awareness

Facility awareness means knowing what is going on over the entire TWI campus, seeing beyond one's own immediate area of responsibility and taking the initiative to offer or find assistance, if needed, and feeling a genuine commitment to both fellow employees and guests alike. The more everyone knows the layout of the entire facility the more successful the Tidewater Inn will be. The more questions you can answer, or the more you can publicize, the better you will represent TWI. It is your responsibility to learn more about our company and all the public and back of the house spaces.

Food Policy

Our paying customers are our number one focus and will, to the extent possible, have 100% of the food prepared, served and offered to their guests. Do not sample hors d'oeuvres, accompaniments, main courses or desserts. Any leftover food items, whether buffet or plated items, will be distributed as directed by the Chef. Staff meals are a courtesy, not a right. Taking food off premise is not permitted without the Chef's permission. No one should put any food aside or prepare to take any food off premise unless otherwise instructed by the Chef. This will be evaluated on an event by event basis. Anyone found taking any food or food products off property without prior consent will be subject to disciplinary action and/or termination.

Cash Handling Policy/Procedures

Displaying money must always be done discreetly. Only designated "safe" areas will be used for counting down bank drawers. Due to the increasingly high volume of demand for change at the Front Desk, the maximum amount of money that can be requested from the Front Desk for petty cash purposes will be \$30.00. During the week (Monday – Friday) if you need more than the allotted \$30.00 for your petty cash please go to Accounting. Also note that if the Front Desk has already given petty cash to multiple departments in one day you may need to go to Accounting for your petty cash allotment.

Violence in the Workplace Policy

It is Tidewater Inn policy to provide a workplace that is safe and free from all threatening and intimidating conduct. Therefore, the company will not tolerate violence or threats of violence of any form in the workplace, at work-related functions or outside of work if it affects the workplace. This policy applies to company employees, clients, customers, guests, vendors and persons doing business with Tidewater Inn.

It is a violation of this policy to engage in any conduct, verbal or physical, that intimidates, endangers or creates the perception of intimidation or intent to harm persons or property. Examples include but are not limited to the following:

- Physical assaults or threats of physical assault, whether made in person or by other means (e.g., in writing or by phone, fax or email)
- Verbal conduct that is intimidating and has the purpose or effect of threatening the health or safety of another individual
- Any other conduct or acts that management believes represent an imminent or potential danger to safety or security

Anyone with questions or complaints about behaviors that fall under this policy may discuss them with a supervisor or a Human Resources representative. The company will promptly and thoroughly investigate any reported occurrences or threats of violence. Violations of this policy will result in disciplinary action, up to and including immediate termination. When such actions involve non-employees, the company will act appropriate for the circumstances. When appropriate, the company will also take any legal actions available and necessary to stop the conduct and protect the company, our employees and property.

Weapons in the Workplace Policy

Unless prohibited by state law, Chesapeake Bay Beach Club, LLC prohibits the possession of firearms or any other lethal weapon on Company property, in a vehicle being used on Company business, in any company-owned or leased parking facility or at a work-related function without prior notification and approval from COO. This applies to all employees, visitors and customers on Company property, even those who are licensed to carry weapons. The only exception to this is an employee who is required to possess weapons in order to fulfill his or her job duties.

Some examples of prohibited weapons include:

- Firearms (pistols, revolvers, shotguns, rifles and bb guns).
- Knives (switchblades, gravity knives or any knife with a blade longer than three inches).
- Metal knuckles.
- Bows and arrows.
- Tasers.

We prohibit weapons to ensure the safety and security of all employees and persons visiting the Company. Any employee found in violation of this policy will be subject to disciplinary action, up to and including immediate termination. If you have questions or concerns regarding this policy, please contact Human Resources.

Workplace Bullying Policy

Tidewater Inn is committed to providing a safe and healthy work environment for all employees. As such, the company will not tolerate bullying of any kind and will deal with complaints accordingly. This policy applies to employees while working, attending work functions and traveling on business.

Bullying is defined as repeated inappropriate behavior, either direct or indirect, whether verbal, physical, or otherwise, conducted by one or more persons against another or others, at the workplace or in the course of employment. Such behavior violates Tidewater Inn policies, which state that all employees will be treated with dignity and respect.

Bullying can be intentional or unintentional. However, when an allegation of bullying is made, the intention of the alleged bully is irrelevant and will be given no consideration when a complaint is investigated. It is the effect of the behavior that will be considered.

Bullying can be:

- Verbal bullying: slandering, ridiculing or maligning a person or his or her family or associates; persistent name-calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- Physical bullying: pushing, shoving, kicking, poking, tripping, assaulting or threatening to assault, damaging a person's work area or property.
- Gesture bullying: nonverbal threatening gestures; glances that can convey threatening messages.
- Exclusion: unintentionally disregarding a person or excluding a person from work-related activities.

The following are examples of some, not all, behavior that may constitute or contribute to evidence of bullying:

- Repeatedly singling out a person.
- Pointing at or raising your voice at an individual, whether in public or private.
- Shutting a person out; not allowing him or her to speak or express him- or herself (ignoring or interrupting); interfering with email or other forms of communication; not including him or her in meetings.
- Humiliation in any form; verbal or obscene gestures, personal insults or offensive nicknames.
- Constant criticism unrelated or minimally related to job performance; public reprimand.
- Hampering an individual's ability to do his or her work; assigning menial tasks not aligned with normal job duties; taking credit for another's work or ideas.
- Spreading rumors or gossiping about another.

Bullying can have devastating results to the individual and the workplace. If you are subjected to bullying, or witness or suspect bullying is taking place, report it to your supervisor and/or to Human Resources immediately. All suspected incidents of bullying will be thoroughly investigated, and disciplinary measures will be taken accordingly.

Cyber Risk & Liabilities

“Phishing,” a type of cyber-attack in which a hacker disguises him- or herself as a trusted source online in order to acquire sensitive information, is a common and technologically simple scam that can put your employees and business at risk. However, more resourceful criminals are resorting to a modified and more sophisticated technique called “spear phishing,” in which they use personal information to pose as colleagues or other sources specific to individuals or businesses.

A spear phishing attack is often disguised as a message from a close friend or business partner and is more convincing than a normal phishing attempt; when messages contain personal information, they are much more difficult to identify as malicious.

For businesses, the potential risk of spear phishing is monumental. A report released by the Internet Crime Complaint Center (IC3) stated that there were over 120,000 cybercrime-related complaints against businesses last year, resulting in over \$800 million lost. A large majority of these attacks can be attributed to spear phishing, since the messages are designed and customized to make victims feel safe and secure.

The Basics of Spear Phishing

Any personal information that is posted online can potentially be used as bait in a spear phishing attack. The more a criminal learns about a potential victim, the more trustworthy he or she will seem during an attack. Once the apparent source gains the victim’s trust, and there is information within the message that supports the message’s validity, the hacker will usually make a reasonable request, such as following a URL link, supplying usernames and/or passwords, or opening an attachment.

Even if spear phishing perpetrators target just one employee, it can put the entire business at risk.

Falling for a spear phishing attack can give a hacker access to personal and financial information across an entire network. And, successful spear phishing attacks oftentimes go unnoticed, which increases the risk of large and continued losses.

How to Protect Yourself

Though it is difficult to completely avoid the risk that spear phishing attacks pose, there are ways to prevent further damage to your business. Make sure that you are aware of these simple techniques:

- Never send financial or personal information electronically, even if you know the recipient well. It may be possible for a third party to intercept this information, especially if the recipient is later subject to a spear phishing attack.
- Be cautious when you are asked to divulge personal information in an email. Even if it appears to be from a trusted source, it could be a hacker impersonating another person or group.
- Only share personal information on secure websites or over the phone. When in a Web browser, you can ensure a website is secure when you see a lock icon in the URL bar, or when an “s” is present in the “https” of a URL. The “s” stands for “secure” at the end of the normal “http”.
- Some spear-phishing schemes use telephone numbers, so be sure to never share information over the phone unless you initiate the call to a trusted number.
- Never click on links or open attachments from unknown sources. Even opening a file that seems familiar can give a spear phishing attacker access to personal information stored on your device.
- Ensure that your security software is up to date. Firewalls and anti-virus software can help protect against spear phishing attacks.
- Think twice about what you post online. Spear phishing hackers often attain personal information through social media sites.

- Regularly check all online accounts and bank statements to ensure that no one has accessed them without authorization.
- Never enter any personal or financial information into a pop-up window or a Web browser.

What to Do If You Suspect a Spear Phishing Attack

If you believe that you have been the target of a spear phishing attack, it is important to act quickly to limit your potential losses. The first step should be to immediately change the passwords of any accounts connected to the personal or financial information of the business or its clients, and to obtain a list of recent and pending transactions. It may also be necessary to contact law enforcement.

Next, our Corsica expert should be consulted to pinpoint any vulnerabilities that remain in the business' network, and he or she can advise you on how to avoid future attacks. Their email address is service@corsicatech.com.

Emergency Action Plan

Tidewater Inn recognizes that our people drive our business. As our most critical resource, employees are safeguarded through training, provision of appropriate work surroundings, and procedures that foster protection of health and safety. No duty, no matter what its perceived result, is more important than employee health and safety. Periodically we will have the Talbot County Sheriff Department come speak with our staff to offer education and suggestions for the safety and welfare of our staff.

General Guidelines in an Emergency

Stay calm and think through your actions. Know important emergency numbers, such as:

- **Fire/Police/Ambulance:** **911**
- **Human Resources:** **(410) 604-5900 Ext. 1308**
- **Operator:** **(410) 822-1300**

Be aware of your surroundings:

- Know where stairwell exits are located—there are stairwell exits on each floor.
- In the event of an emergency, use only stairs—do not take elevators.
- Do not hesitate to call or alert others if you believe that an emergency is occurring.

Fire Evacuation:

- Employees will be notified of a fire by either the fire alarm system or a paged announcement.
- Upon hearing the alarm, immediately evacuate the building using the closest stairwell exit—do not use the elevators or delay evacuation to gather personal belongings, finish a phone call or wait for friends.
- Notify Emergency Floor Leaders or their backups.

You Discover a Fire:

- Alert other persons in the immediate hazard area.
- Activate the nearest fire alarm, call 911.
- If you have been trained to use a fire extinguisher, follow the P.A.S.S. instructions:
 - Pull the safety pin.
 - Aim the nozzle at the base of the fire.
 - Squeeze the operating lever.
 - Sweep side to side, covering the base of the fire.
- When using a fire extinguisher, always stay between the fire and an exit—never feel that using a fire extinguisher is required, and if the fire is too hot, too smoky or you are frightened, evacuate immediately.

Medical Emergency:

- Upon discovering a medical emergency, if possible, ask injured party if they would like for you to contact emergency personnel.
- If necessary, contact 911.
- Stay with the ill or injured person, being careful not to come into contact with any body fluids unless properly trained and protected.
- The use of an AED can only be administered, if necessary, if trained and certified to do so.
- AED is located:
 - Behind the Front Desk of the hotel

- Send one person to alert Management or Human Resources so they can notify family members of the ill or injured person.
- Employees in the immediate vicinity of the emergency, but not involved in the emergency effort, should leave the area.

Severe Weather:

- In the event severe weather conditions occur at a time when you have not yet reported to work, and you are able to do so safely, you should report to work as usual unless otherwise notified.
- If a severe weather warning is issued, staff will immediately page an announcement.
- Employees should immediately seek shelter in the main hallways. Exit stairways and designated areas away from all windows.
- The receptionist will take the weather radio with him or her—when the severe weather warning is cancelled, he or she will send Emergency Floor Leaders to each floor to advise that it is safe to return to work areas, and then will make a general announcement over the paging system.

Workplace Violence:

- Any employee who feels that he or she has been threatened should immediately report the incident to their supervisor and Human Resources.
- If you observe anyone exhibiting threatening behavior or making threatening statements, warn others in the area and immediately notify Human Resources—stay away from the person exhibiting the threatening behavior.
- Depending upon the level of concern, 911 may be called immediately.
- Never attempt to confront any person exhibiting threatening behavior.
- If you have reason to believe that events in your personal life could result in acts of violence occurring at work, you are strongly urged to confidentially discuss the issue with Human Resources so that a prevention plan can be developed.

General Computer Usage Policy

Tidewater Inn is committed to accomplishing its business objectives in a secure and timely manner. Each employee must assist in achieving this goal while safeguarding corporate information. The basic regulations for using the company computer systems are as follows:

- Computers are for business use only.
- The company may access any information created, transmitted or stored on its information systems.
- Copying or downloading software of any kind is prohibited without prior permission.
- Internet is for business use only—incidental and occasional personal use is permitted.
- The company provides email accounts to its employees for business use—incidental and occasional personal use is permitted.
- Any email of an offensive, pornographic or otherwise inappropriate nature is prohibited—violations may result in disciplinary action.
- Company proprietary information must be protected.
- Instant messaging services may be provided to ease communication between employees—non-business use is prohibited.
- Follow procedures outlined for Cyber Risk and Liabilities.

Please use the computers responsibly and contact Human Resources with any questions regarding appropriate usage.

Recording Devices Prohibited Policy

Tidewater Inn respects the privacy of its employees and strives to protect all confidential Company information.

Tidewater Inn prohibits the use of any recording device on company property or during working hours unless specifically permitted by the company. The use of picture phones or any other camera or device that may capture visual images without the management's prior written permission is also prohibited. More specifically, the use of picture phones or other recording of visual images is prohibited in locker rooms, restrooms and any other area where members of the public or co-workers would expect a reasonable degree of privacy and in any areas in which sensitive or closely guarded corporate or business materials are used or housed.

Exception to this would be the ongoing use of Company installed Security/Surveillance video cameras installed throughout grounds.

Any employee found in violation of this policy will be subject to disciplinary action and may also be subject to prosecution to the fullest extent permitted under the law.

Absenteeism and Tardiness Policy

Absenteeism and tardiness place a burden on both co-workers and Tidewater Inn. We expect that every employee will be regular and punctual in attendance. This means being in the office, ready to work, at the starting time each day. When you are unable to work due to illness or an accident, please promptly notify your supervisor. In the event your immediate supervisor is unavailable, you must speak with the Manager on Duty (MOD). Text messages, emails, leaving a message with another staff member or on voicemail does not constitute an accepted notification of absence. If you do not report for work and Tidewater Inn is not notified of your status, it will be assumed after two (2) consecutive days of absence that you have voluntarily resigned, and you will be removed from the payroll.

You must report any illness or injury that you suffer at work to your supervisor. If it is necessary to leave work due to illness or injury, you may be required to present a physician's statement to your supervisor, upon return, that you are well and able to return to your duties and responsibilities.

Calling your supervisor does not excuse the absence. In fact, no absence is automatically considered to be "excused" as such. Your attendance record is an important factor considered by the Company at the time of performance and merit increase reviews.

An employee may be asked to provide a doctor's statement in verification of any illness causing an employee to miss time from work. If an employee is absent for two (2) or more consecutive days due to illness or injury, a physician's statement may be requested verifying the illness and its beginning and expected ending dates.

While we recognize that there may be times when occurrences beyond the control of the employee can happen, chronic or excessive absences or tardiness will be cause for disciplinary action up to and including termination. Excessive tardiness or absences are defined as 3 or more within a one-year period.

You will be compensated for authorized absences according to the provisions described in this handbook. Authorized absences beyond the time allowed under that policy are authorized without compensation.

In the event of severe weather, we remain open for business during regularly scheduled working hours. You are expected to report for work in severe weather if it is at all possible to do so safely. In the event we close due to weather, someone in your work group will contact you. Please keep your work group and manager informed on how to reach you on such occasions. *See also Severe Weather Policy.*

Text messages and/or emails will **not** be considered as valid communication for the purpose of reporting tardiness or absences.

Americans with Disabilities Policy

The Americans with Disabilities Act (ADA) is a federal law that prohibits employers with 15 or more employees from discriminating against applicants and employees with disabilities. It also requires employers to provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job functions of the position.

Tidewater Inn complies with all applicable laws concerning the employment of individuals with disabilities and acts in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). The company does not discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

When a job applicant with a disability requests accommodation that can be reasonably provided without creating an undue hardship or causing a workplace safety risk, he or she will be given the same consideration for employment as any other applicant.

Tidewater Inn will reasonably accommodate qualified individuals (candidates and employees) with disabilities so that they can perform the essential functions of a job, unless the requested accommodations result in the following:

- A direct threat to the safety or well-being of the individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation; or
- An undue hardship to Tidewater Inn, its guests and/or employees.

Individuals who are currently using illegal drugs are excluded from coverage under the company ADA policy.

The Human Resources department is responsible for implementing this policy, including the resolution of reasonable accommodation, safety, direct threat and undue hardship issues. Contact them with any questions or requests for accommodation.

Anti-Discrimination Policy

Tidewater Inn does not discriminate against anyone based on race, color, sex, religion, national origin, age (40 or older), disability status or any other trait that is protected under local, state or federal law. In addition, any kind of discrimination that is based on a protected trait is not allowed in the workplace. We are an equal opportunity employer and we are dedicated to a policy of non-discrimination in all aspects of employment and company business. This policy applies not only to personnel decisions, but also to all aspects of business.

We ask that you respect those around you—co-workers, customers and management alike.

Reports of discrimination will be investigated, and disciplinary measures may be taken.

Background Check Policy

Tidewater Inn carefully selects quality employees. Background checks help to ensure that new employees have the skills for the job and have performed well in the past.

Tidewater Inn may conduct background checks on all job candidates after a contingent offer of employment has been extended. A background check may also be completed during reassignment or promotion of an employee. A third-party administrator may be used to conduct the background checks, and all background checks will be compliant with applicable laws, such as the Fair Credit Reporting Act.

The information that may be collected includes, but is not limited to:

- Criminal background
- Employment history
- Education
- Credit
- Professional and personal references

Criminal background checks may not be used as the sole reason for denying employment, unless it is job-related. Regardless, the company has the right to make the final decision about employing an individual after the background check is complete.

Checking professional and personal references is an important part of the background check process. This provides the company with information on the potential employee's work ethic, skills and performance.

Information obtained from the background check process, including information from professional and personal references, will be used by the company only as part of the employment process and will be kept confidential by Human Resources.

Business Expense Reimbursement Policy

Tidewater Inn will reimburse employees for all necessary and reasonable travel expenses related to the normal conduct of business. The following policies and procedures have been established to administer uniform guidelines for reimbursement of business-related travel, meals and entertainment expenses. While this policy provides many answers and useful guidance, it cannot address every possible situation. If you have any questions regarding the business nature or reimbursement of expenses, check with your supervisor before you commit to spending any funds. The most useful guide to cost-effective business travel is to spend money as if it were your own.

Auto Allowance and Mileage

Employees receive reimbursement for direct business mileage. Employees may receive a direct mileage reimbursement based on an evaluation of the use of their personal automobile for purposes of conducting company business. Auto allowances are paid on a monthly basis. Direct mileage is reimbursed at the current IRS standard rate and is paid upon submission of a signed and supervisor approved "Monthly Mileage Report" form. Because it is more cost effective than direct mileage reimbursement.

The use of a personal automobile for business-related travel is only authorized if the automobile is covered by a current insurance policy. Any damages, repair costs or maintenance costs incurred by an employee in the use of their privately-owned vehicle in conjunction with company business is the sole responsibility of the employee.

Spousal Travel

Travel expenses related to an employee's spouse are not reimbursable by the company.

Lodging

Lodging must have prior approval. The selection of overnight lodging should be guided by considerations of safety, quality and reasonableness of room rates. Again, the most useful guide to cost effective accommodations is to spend money as if it were your own. When rooms are guaranteed for late arrival and the trip is cancelled or other lodging is secured, the reservation must be cancelled to avoid being billed for a "no show." Hotels may require either a 24- or 48-hour cancellation notice to avoid these charges. The cost of in-room movies is not reimbursable.

Business Meals

Employees will be reimbursed for reasonable and actual expenses for meals incurred while on business trips away from their normal business hours. All original receipts must be included with the employee's travel and expense report. Any employee expense report received without the receipts will be returned to the employee. Reasonable meal expenses are outlined below:

- Breakfast \$10.00
- Lunch \$15.00
- Dinner \$35.00

Submittal of Monthly Expense Report Forms

It is the employee's responsibility to prepare and submit a Monthly Expense Report to receive reimbursement for business related expenses. Expense Reports should be submitted on at least a monthly basis to ensure proper matching of expenses with the appropriate accounting period.

For business related meals and entertainment expenses to be deductible, IRS regulations require that the amount and date of expense, specific business purpose, name, title and company of people entertained, and name and location of the establishment where the event took place and time of the business discussion (for example, before, during or after the event) and entertainment be documented on the expense form.

All claimed expenses must have an original receipt. All Monthly Expense Report forms must be signed by the employee and approved by his or her supervisor before being submitted to Accounts Payable for processing.

Communicable Disease Policy

A communicable disease is a disease that can be transmitted from one individual to another via: (1) direct physical contact, (2) the air (cough, sneeze or inhaled particle), (3) through a transmission vehicle (either ingested or injected) or (4) through a vector (animals or insects). Examples of some of the most common communicable diseases include measles, influenza, viral hepatitis-A (infectious hepatitis), viral hepatitis-B (serum hepatitis), human immunodeficiency virus (HIV), AIDS, AIDS - related complex (ARC), leprosy, Severe Acute Respiratory Syndrome (SARS) and tuberculosis (TB). This definition may be broadened in accordance with the recommendations and information provided from the Centers for Disease Control and Prevention (CDC).

Tidewater Inn will make decisions involving those with communicable diseases based on medical information concerning the disease in question, the risks of transmission to others, symptoms and any special circumstances of the individuals involved. The company will weigh potential risks and available alternatives before making any decisions. Individuals should be symptom free (sickness/fever) for a minimum of 24 hours prior to return.

Reporting Procedure

Those employees who demonstrate signs or symptoms of a communicable disease that poses a credible threat of transmission in the Tidewater Inn workplace should report that potential infection or disease immediately to the Human Resources department. The employee is then responsible for keeping Tidewater Inn informed of his or her condition that may require extended care, missed work, etc. The employee may also be required to provide written documentation from a physician to return to the worksite.

Hiring and Employment

Tidewater Inn will not discriminate against job applicants or employees with a communicable disease. These individuals will not be denied access to the worksite solely because they have a communicable disease, but may be excluded from company facilities, programs and functions if Tidewater Inn determines that restriction is necessary to protect the welfare of the infected individual or the welfare of others.

Tidewater Inn will comply with all applicable statutes that protect the privacy of individuals with communicable diseases.

Abuse of this policy will result in disciplinary action up to and including termination. Tidewater Inn reserves the right to revise this policy without notice during changing pandemic conditions.

Company Car Policy

Tidewater Inn provides vehicles for business use and provides reimbursement for business use of personal vehicles according to the following guidelines. Tidewater Inn retains the right to amend or terminate this Policy at any time.

1. Tidewater Inn employees may not drive any business vehicles without prior approval. Before being approved to operate a Company vehicle, an employee's driving records will be reviewed, with consent of the employee, and the existence of a current, valid driver's license and insurance will be verified. Employees approved to drive on Company business are required to inform Tidewater Inn of any changes that may affect their legal or physical ability to drive or their continued insurability.
2. Employees holding jobs requiring regular driving for business as an essential job function, as a condition of employment, must always be able to meet the driver approval standards of this policy. For all other jobs, driving is considered only an incidental function of the position, and approval to operate a Company vehicle or drive for business will be determined on an as-needed basis.
3. Employees who drive a vehicle on Company business must, in addition to meeting the approval requirements above, exercise due diligence to drive safely and maintain the security of the vehicle and its contents. Employees are also responsible for any driving infractions or fines that occur as a result of their driving.
4. Employees who use their personal vehicles for approved business purposes will receive a mileage allowance equal to the Internal Revenue Service optional mileage allowance for such usage. This allowance is to compensate for the cost of gasoline, oil, depreciation and insurance. Employees who operate personal vehicles for Company business should obtain auto liability coverage for bodily injury and property damage with a special endorsement for business use, when necessary as determined by their personal insurance agent. Management may request proof of insurance.
5. Employees must report any theft or malicious damage involving a Company vehicle, regardless of the extent of the damage. Such reports must be made as soon as possible, but no later than 48 hours after the incident. However, employees should make no voluntary statement other than in reply to questions of investigating officers.
6. An employee is not permitted, under any circumstances, to operate a Company vehicle or a personal vehicle for Company business when any physical or mental impairment causes the employee to be unable to drive safely. Additionally, employees shall not operate any Company vehicle at any time, or operate any personal vehicle for Company business, while using or consuming alcohol, illegal drugs or prescription medications that may affect their ability to drive. These prohibitions include circumstances in which the employee is temporarily unable to operate a vehicle safely or legally because of impairment, illness, medication or intoxication.
7. Employees may not use a hand-held cell phone while operating a vehicle whether the vehicle is in motion or stopped at a traffic light. This includes, but is not limited to, answering or making phone calls, engaging in phone conversations, and reading or responding to emails, instant messages and text messages.
 - If company employees need to use their phones, they must safely pull over to the side of the road or another safe location.
 - Employees are required to:
 - ❖ Turn off cell phones or put them on silent or vibrate before starting the car.
 - ❖ Consider modifying voicemail greetings to indicate that you are unavailable to answer calls or return messages while driving.
 - ❖ Inform clients, associates and business partners of this policy as an explanation of why calls may not be returned immediately.

Other Safe Driving Precautions

- Use your best judgment when road conditions are poor. Limit or avoid driving when rain or snow threatens your safety.
- Try to avoid distractions such as eating, applying makeup, paying too much attention to your radio or CD player, etc.
- Do not drive if your ability to drive safely is impaired by the influence of medications.
- Laptop computers should never be used at any time while driving.
- Be sure to properly adjust the mirrors and familiarize yourself with the vehicle's controls before operating.
- Be concerned for your coworkers' safety. Ask them to call you back at a safer time if they call you while they are driving.

Confidential Information and Company Property Policy

During your employment at Tidewater Inn, you may have access to confidential and proprietary data, which is not generally known by competitors and/or the general public or within the company's field of business. This information (hereinafter referred to as "Confidential Information") includes, but is not limited to:

- Data relating to the Company's marketing and servicing programs;
- Procedures and techniques;
- The criteria and formula used by the Company in pricing its products and services;
- The structure and pricing of special packages that the Company has negotiated;
- Lists of customers and prospects;
- The identity, authority and responsibilities of key contacts at Company accounts;
- The composition and organization of accounts' businesses;
- The peculiar risks inherent in their operations;
- Sensitive details concerning the structure, conditions, and extent of their existing products and services;
- Contract expiration dates;
- Commission rates;
- Service arrangements;
- Proprietary software, Web applications and analysis tools; and
- Other data showing the particularized requirements and preferences of the accounts.

Information pertaining to the Ownership of the organization(s) and/or owners of the company is deemed confidential along with their email addresses and telephone numbers and is not to be provided without prior permission.

This Confidential Information is an asset of the Company, developed over a long period of time and at substantial expense. To protect the Company's interest in this asset, you must:

- Not use any such Confidential Information for your personal benefit or for the benefit of any person or entity other than the Company, and;
- Use your best efforts to limit access to such Confidential Information to those who have a need to know it for the business purposes of the Company.

In addition, you should minimize those occasions on which you take documents, computer disks or a laptop containing such Confidential Information outside the office. On those occasions where it is necessary, consistent with the best interests of the Company and doing your job effectively, to take documents, computer disk or a laptop containing Confidential Information outside the office, all appropriate precautionary and security measures should be taken to protect the confidentiality of the information.

During your employment with the Company, you will be provided with and will generate correspondence, memoranda, literature, reports, summaries, manuals, proposals, contracts, customer lists, prospect lists, and other documents and data concerning the business of the Company. Any and all such records and data, whether maintained in hard copy or on a computer or other medium, is the property of the Company, regardless of whether it is or contains Confidential Information. Upon termination of your employment at the Company, you are required to return all such records to the Company and may not retain any copy of such records or make any notes regarding such records. We reserve the right to search for such information and property in personal items while on Company premises such as vehicles, purses, briefcases, etc.

Any infractions may result in immediate termination and potential civil actions.

Employee Signature

Date

Conflicts of Interest Policy

All employees have a duty to further the company's aims and goals, and to work on behalf of its best interest. Employees should not place themselves in a position where their actions or personal interests may conflict with those of Tidewater Inn. Examples include: soliciting or profiting from the company's client or prospect base or other company asset for personal gain; acting on behalf of Tidewater Inn in servicing or obtaining a client, and limiting the best solution for the client or prospect for personal financial gain; and acting as director, officer, employee or otherwise for any business or institution with which Tidewater Inn has a competitive or significant business relationship without the written approval of the COO.

Employees must recognize that participating in development and product certification events impacting competitors or suppliers, as well as Tidewater Inn management working outside the company in a related field for profit using Tidewater Inn related knowledge, staff, materials, etc. (example Sales Managers doing private parties at another facility or residence) may initiate antitrust violations. Consult with the Company's legal counsel before attending or participating in any event that may develop standards or certify products with competitors.

Customer Complaint Policy

This Customer Complaint Policy aims to not only provide a framework for employees to work with when handling complaints from customers, but also to ensure consistency within Tidewater Inn in handling and resolving complaints from customers. Addressing customer complaints helps the company in following through on our commitment to provide quality products, services and customer service.

Tidewater Inn defines the term “complaint” as any expression of dissatisfaction or grievance made by a customer or member of the public about any Tidewater Inn product or service including, but not limited, to direct complaints, email, internet, surveys.

Tidewater Inn’s customer service representatives will provide reasonable information and assistance to customers to ensure that complaints are made effectively. Complaints may be made in any of the following ways:

- Immediate notification to your direct Supervisor and/or Manager should be the first course of action.
- Via telephone at 410-822-1300.
- Via email at lcatterton@tidewaterinn.com.
- Via mail at Tidewater Inn, 101 E. Dover St., Easton, MD 21610.
- Complaints will be acknowledged upon receipt by the company.
- Response to a complaint MUST be done by management. Response to any travel site by employees is strictly prohibited.

Complaints will be processed in a timely and efficient manner. Continuous improvement and training will be used to confirm complaints are resolved promptly and courteously. Managing our customers’ expectations realistically is our goal. This involves the careful examination of each complaint and the provision of a resolution offered based on that analysis.

Complaints will be recorded and analyzed to ensure that our complaint management processes comply with this policy. Trends will be identified, and feedback will be provided to the relevant departments to improve current processes.

Our mission is to resolve customer complaints immediately, rather than delaying the resolution. When necessary, customers will be kept informed of the progress of their complaint and the company’s internal escalation process.

Dress Code

Remember.... “you don’t get a second chance to make a first impression!”

Tidewater Inn believes that your pride in both yourself and the company is reflected in your appearance and in the image you create. We feel that our business image is important and, therefore, request that our employees maintain standards of dress and appearance appropriate to both the organization and your individual position responsibilities. Dress, grooming, personal cleanliness and professional behavior standards contribute to the professional image we strive to present to our customers and visitors. Therefore, while performing duties for the Tidewater Inn, employees are expected to dress in attire appropriate to the business environment and to behave in a professional manner always to best represent our business.

Guidelines

Due to the nature of our business and our continuous client contact, the employees at Tidewater Inn followed a traditional business attire dress policy in the past. Our formal dress guidelines now, however, include a more relaxed dress or “Business Appropriate” dress, which we feel is in the best interest of Tidewater Inn, our employees and our clients (please see below for details).

Employees may dress according to the requirements of their position, however, our beliefs regarding business appropriate dress is that business is always first. This means that employees should keep their day’s schedule in mind. We recognize that different levels of dress may be appropriate for different occasions. As a rule, when meeting with clients, prospects or outside visitors, traditional business attire should always be worn except where it doesn’t make good business sense.

All employees should select their business attire for meetings and contact outside of the office by the type of function that will be attended. Also, on occasion there may be a specific business reason to require that all employees dress in traditional business attire. In such instance, this will be communicated to employees in advance and they will be required to dress accordingly.

Our business appearance and image are important to us. However, we respect individual preference and choice in dress and appearance. We are confident that employees will use their best judgment in following our dress and attire guidelines. We always ask that employees make certain that their appearance is well groomed and clean, and that clothing is appropriate, neat, clean and well-fitting. While relaxed business attire is acceptable within the stated guidelines, we want to be sure our environment does not jeopardize professionalism and productivity.

Proper work attire includes skirts and pants and clothing that covers the back, shoulders and midriff. This also means clean nails, teeth, hair, shoes, body and clothes. Just as the cleanliness of each of our facilities is of the utmost importance, so is each employee’s personal hygiene.

For each location, the company takes into consideration what is considered acceptable attire and grooming by the public in each area. Your manager has the authority to make the ultimate decision as to what is acceptable.

Make sure you are familiar with the guidelines so that we may maintain an appropriate and businesslike work environment.

Attire

Men:

Slacks: “Casual” slacks are pants in materials and styles appropriate to the workplace such as those produced by Dockers, Lands’ End, L.L. Bean and similar brands. It does **NOT** mean jeans.

Shirts: Similarly, “casual” shirts are collared shirts, button-down shirts or company logo shirts.

Weekend clothes: In general, “weekend” clothes such as aloha shirts, sweats, t-shirts, shirts with slogans, tank tops and collarless shirts are **NOT** permitted.

Women:

Dress, skirt / blouse combination, blouse with slacks, pantsuits: The fabric should be suitable to the workplace.

Weekend clothes: In general, “weekend” clothes such as shorts, athletic attire, jeans and leggings are **NOT** permitted.

Sales Staff are to wear professional attire, suits and jackets, to host all events.

All Employees:

Appropriate footwear: No athletic shoes or flip-flops.

Condition of clothing: Clothes are to be well-pressed, well-tailored, tasteful and in good repair.

Inappropriate Attire: While some positions wear more of a casual type attire, employees may not:

- Wear clothing that does not fit correctly – too tight or too loose.
- Wear clothing that is faded, stained, discolored, torn, ripped or frayed.
- Wear clothing that is missing buttons.
- Wear shorts, halter tops, tank top, gym, athletic or sweat clothes.
- Wear clothes with offensive slogans or pictures, e.g., profanity and nude or seminude pictures, offensive gestures, suggestive cartoons.
- Wear clothing with political slogans, derogatory words, gang colors, logos or advertisements for competitive products or services, alcoholic beverages, tobacco products or other products inappropriate for a workplace.
- Wear undergarments in inappropriate ways.
- Wear revealing clothes such as short, crop tops, tank tops, midriff, halter tops, muscle shirts and the like.
- Wear offensive or sexually explicit graphic buttons, hats, caps or other attire.
- Wear open toed shoes (within the daily operations of, but not limited to, Kitchen, Maintenance, Restaurant, Banquets, and Housekeeping).

If an employee is unclear about dress and appearance guidelines, he or she is encouraged to consult with Human Resources. If an employee reports to work in questionable attire or appearance, a notification and discussion will occur with the employee to advise and counsel him or her regarding the inappropriateness of the attire. Depending upon the circumstance, the employee may also be sent home with directions to return to work in proper attire. It is expected that any work time lost will be made up by the employee. Continued or frequent departures from these guidelines will not be permitted and employees who appear for work inappropriately dressed or groomed repeatedly will be subject to disciplinary action.

In addition:

- Piercing of **ears only** are permitted, if there are no more than two (2) earrings per ear.
- No extreme hairstyles to include non-natural hair colors.
- No Visible tattoos.
- Gum chewing while on property in the presence of customers is prohibited.

- Hair neat and clean.
- Males to be clean shaven or acceptable grooming.
- Male/female hair, if long, should be pulled back as not to be in their face or accidentally come in contact with food and/or equipment for health and safety reasons.

It is the responsibility of the Department Head and Management team to make sure that this policy is adhered to. Any questions or concerns should be directed to the Human Resources Department.

Driving While on Company Business Policy

Distracted driving plays a role in many motor vehicle accidents. We are not only concerned about your welfare as a Tidewater Inn employee, but also the welfare of others who could be put in harm's way.

As a driver, your first responsibility is to pay attention to the road. When driving on Tidewater Inn business or driving while conducting business on behalf of the company in any other capacity, the following applies:

Cellphone Use

Cellular phone use while driving is a common, often harmful, distraction. We are concerned about your safety as well as the safety of others. For this reason, the use of cellphones while driving is prohibited. Do not accept or place calls unless it is an emergency, meaning the call cannot wait until you safely pull off the road or until you arrive at your destination. If you must use your cellphone while driving, please use good judgment: keep the call short, use a hands-free device, get to know your phone and its features, and suspend conversations during hazardous driving conditions (rain, snow, ice, fog, glare, heavy traffic, etc.). Also, be aware that in many jurisdictions, using a cellphone while driving is prohibited or limited to calls facilitated using a hands-free device.

Obey the Law

Tidewater Inn is not responsible for any moving traffic violations, tickets for parking violations or violation of any other city ordinances or state or federal laws regarding your driving habits and operation and care of your personal motor vehicle. Any tickets issued are the employee's responsibility, even if the ticket is issued while conducting business for Tidewater Inn.

Other Safe Driving Precautions

- Use your best judgment when road conditions are poor. Limit or avoid driving when rain or snow threatens your safety.
- Try to avoid distractions such as eating, applying makeup, paying too much attention to your radio or CD player, etc.
- Do not drive if your ability to drive safely is impaired by the influence of medications.
- Laptop computers should never be used at any time while driving.
- Be sure to properly adjust the mirrors and familiarize yourself with the vehicle's controls before operating.
- Be concerned for your coworkers' safety. Ask them to call you back at a safer time if they call you while they are driving.

As a business against drunk driving, be responsible when entertaining clients. Abide by the law and use a designated driver or the Businesses Against Drunk Driving program for transportation if you are under the influence of alcohol.

Employees who drive for company business must have a current, valid driver's license and required insurance.

Employee Classification Policy

Employees are classified as either exempt or non-exempt for pay administration purposes, as determined by the federal Fair Labor Standards Act (FLSA).

The definitions of the worker classification categories can be summarized as follows:

Exempt - Employees who meet any of the FLSA's exemption standards, including managerial, supervisory, professional, sales or administrative employees.

Non-exempt - Employees whose positions do not meet the FLSA exemption standards. Overtime work is prohibited without specific supervisor authorization for these employees.

In addition, everyone's employment status is defined as one of the following:

Full-time – An employee who works a minimum of 30 hours per week in at least 50 weeks in a calendar year are considered full-time. Such full-time employees are eligible for benefits after applicable requirements for length of service have been met. If designated as full-time at the time of hire, every employee must meet this definition to retain his or her full-time status.

Part-time – An employee who works less than 30 hours per week and/or less than 50 weeks in a calendar year.

Full-time Salaried – Management and Sales staff

Tidewater Inn may supplement its regular work force with temporary or part-time employees to help compensate for workload, employee absences or other situations. Management will determine which positions are permanent and which are considered temporary or seasonal.

Independent contractors - Consultants, freelancers and independent contractors are not employees of Tidewater Inn. The distinction between employees and independent contractors is crucial because employees may be entitled to participate in the company's benefits programs, while independent contractors are not. In addition, Tidewater Inn is not required to satisfy income, Social Security, Medicare or unemployment tax withholdings or payment requirements for independent contractors.

Employee Parking and Access to Hotel

Employees are not permitted to park in the hotel parking lot. There is ample complimentary parking in the downtown area. If you are unfamiliar with these areas, please ask your Supervisor. All Tidewater Inn employees must only enter through the employee entrance on **scheduled work days**. If you are coming to the property before or after your scheduled shift or on your day off, you must use the hotel main entrance. Any employee found using the employees' entrance to enter the building during unscheduled work hours will be subject to disciplinary action. In addition, employees that are not working are not permitted to be in ANY "back of the house" areas, i.e. the basement, kitchen, any storage area and/or any area that is not designated as public space. If you are found in the "back of the house" areas on your day off or when you are not on the clock you will be subjected to disciplinary action.

On paycheck distribution days employees must still use the main entrance however are permitted to go to their Supervisors office to pick up their checks during the designated distribution time period (12pm to 5pm).

Employment Termination Policy

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- Resignation—voluntary employment termination initiated by an employee.
- Termination—involuntary employment termination initiated by Tidewater Inn.
- Layoff—involuntary employment termination initiated by Tidewater Inn for non-disciplinary reasons.

If you wish to resign, we ask that, if possible, you notify your manager of your anticipated departure date at least two weeks in advance. Management, if possible, is asked to provide at least three weeks advanced notice. Of course, as much notice as possible is appreciated by Tidewater Inn and your co-workers. This notice should be in the form of a written statement.

If you fail to report to work for three consecutive days without informing management of the planned absence, we will assume that you have voluntarily resigned.

In the case of termination due to resignation, retirement or a permanent reduction in the work force, your accrued vacation pay will be paid on a pro-rata basis. Unused personal time is not paid upon termination. In the case of termination, any vacation or personal/sick time used in excess of accrued time will be deducted from your final paycheck.

Furthermore, any outstanding financial obligations owed to Tidewater Inn will also be deducted from your final check. If your final check does not sufficiently cover the money owed to the company, you will remain liable for that amount.

A meeting between you and your immediate manager may take place prior to your last day of work. If applicable, your rights concerning continuation of group health benefits will be discussed during this meeting. Parking passes, office keys, company equipment and building passes must be returned at this time, along with all other company property including but not limited to priority information, financial information and confidential information.

If you leave Tidewater Inn in good standing, you may be considered for re-employment.

Except as required by law or by separate agreement, employee salary and benefits will end on the date of termination.

Upon resigning from Tidewater Inn, you should continue to provide the company with an accurate address for at least one year for tax purposes.

Equal Employment Opportunity Policy

Tidewater Inn provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin, age, disability or genetics. In addition to federal law requirements, Tidewater Inn complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

Any form of workplace harassment based on race, color, religion, gender, sexual orientation, gender identity or expression, national origin, age, genetic information, disability or veteran status is expressly prohibited.

We are committed to a diverse workforce. We value all employees' talents and support an environment that is inclusive and respectful. We are strongly committed to this policy and believe in the concept and spirit of the law.

We are committed to ensuring that:

- All recruiting, hiring, training, promotion, compensation and other employment-related programs are provided fairly to all persons on an equal opportunity basis;
- Employment decisions are based on the principles of equal opportunity. All personnel actions such as compensation, benefits, transfers, training, and participation in social and recreational programs are administered without regard to any characteristic protected by state, federal or local law;
- Employees and applicants will not be subjected to harassment, intimidation, threats, retaliation, coercion or discrimination because they have exercised any right protected by law; and
- Reasonable accommodations will be made for disabilities and religious beliefs.

We believe in and practice equal opportunity. The Director of Human Resources serves as our Equal Opportunity Coordinator and has overall responsibility for assuring compliance with this policy. All employees are responsible for supporting the concept of equal opportunity and diversity and assisting our Company in meeting its objectives.

Please contact Human Resources with questions or concerns.

I-9 Immigration Reform Policy

The Immigration Reform and Control Act of 1986 requires employers to hire and retain only individuals who are authorized to work in the United States.

To enforce these guidelines, IRCA requires an employer to verify a potential employee's eligibility by completing the Employment Verification Form (Form I-9). By completing Form, I-9, the employer is certifying that it has viewed documents proving that the potential employee is authorized to live and work in the United States.

All employees are asked to provide original documents verifying their right to work in the United States and to sign a verification form (Form I-9). If an individual cannot verify his or her right to work within three days of hire, Tidewater Inn must terminate his or her employment.

Please contact Human Resources with questions or concerns.

Improper Payments and Gifts Policy

We prohibit the solicitation, acceptance, offer or payment to any person or organization of any bribe, kickback or similar consideration, including money, services, goods or favors (other than goods or favors which are nominal in amount and not prohibited by any federal, state or local law). Do not accept or give gifts, gratuities, entertainment or favors of such value or significance that their receipt might reasonably be expected to interfere with the exercise of independent and objective judgment in making or participating in the business decisions of Tidewater Inn or the party with whom the company is dealing.

Injury and Illness Reporting Policy

Tidewater Inn is committed to establishing and maintaining a comfortable and safe working environment for all employees.

Safety is often taken for granted in an office environment. Though generally, we may not be exposed to the same degree of risk as employees of a manufacturing firm or health care facility, we must still recognize that safety risks are present and take steps to reduce the risk of injury or illness. Safety is everyone's responsibility. Please refer to Emergency Action Plan, if necessary.

All work-related injuries and illnesses must be reported immediately to Human Resources, even if you are not sure whether they are truly work-related. Small, seemingly insignificant injuries left untreated can result in serious conditions.

Human Resources will complete an Accident Report based on the information you provide. Report injuries and illnesses immediately so that we can investigate and incorporate corrective action to prevent more injuries.

If you see any potential hazards that need attention, notify Human Resources immediately.

Lost and Found

Any items left in the hotel rooms, ballrooms, lobby, restaurant, etc. after guests have departed should be collected and promptly turned over to the appropriate supervisor. Please notify the Front Desk immediately after finding any items in the event that the guests call inquiring about their belongings. All items should be noted on the designated reporting sheet. The supervisor is responsible for turning the item(s) in to the Manager on Duty or the Housekeeping Supervisor. Item(s) will be stored in the designated Housekeeping Lost & Found closet and will be held for up to 30 days.

Lunch and Rest Periods Policy

Breaks will be determined by management and will comply with Federal, State and Local regulations and laws. Team members desiring a break must have prior management approval before doing so. It is also the manager's discretion as to when the break should be taken as the needs of our guests must be considered.

An employee meal may be provided during the hours of 11:30 am to 1:30 pm and 4:30 pm to 6:30 pm. Employees who take a break during this time are expected to clock out and back in, or a 30-minute break will be deducted from your time. There are two (2) exceptions to this rule: Front Desk Agents and Line Cooks are considered a special class of employee whose availability at their post is considered essential and in the absence of management coverage for them to take a break, are not required to clock out.

Media Relations Policy

Tidewater Inn is committed to providing the media with accurate information. To avoid discrepancies, specific guidelines should be followed when a media inquiry is received.

All media inquiries regarding the company and its operation must be immediately referred to Carrie Simmons, Director of Marketing, who is authorized to make or approve public statements regarding company business. Unless specifically designated by this person, you are not authorized to make those statements. If you wish to write or publish an article, paper or other publication on behalf of the company, you must first obtain approval.

COO will approve all work with Marketing to craft all statements, etc. The company will generally provide a response to media inquiries within 24 hours. Should the response require a detailed technical explanation, a spokesperson will be designated to address the issue. The spokesperson will be chosen carefully, based on their area(s) of expertise.

Media inquiries include, but are not limited to, official statements, press releases and advertisements, all internet and review site responses.

Please contact Carrie Simmons with any questions or concerns you have regarding the Media Relations Policy.

Nursing Mothers Policy

As part of our family-friendly policies and benefits, Tidewater Inn accommodates mothers who wish to express breast milk during the workday when separated from their newborn children.

For up to one year after the child's birth, nursing employees will be provided with reasonable break time to express breast milk during the workday. Nursing mothers who are returning from maternity leave should speak with their managers or supervisors regarding their needs. Supervisors will work with employees to develop a break schedule that is reasonable, accounts for needs that may vary from day to day and creates the least amount of disruption to the Company's operations.

Tidewater Inn will provide a private area, other than a bathroom, for nursing employees to express breast milk. Nursing mothers must request/reserve the room by contacting the Human Resources Department 410-604-5900. Employees working offsite or in other locations will be accommodated with a private area as necessary.

Breaks to express milk will not be paid. In addition to these breaks to express milk, employees may use normal break and lunch periods to accommodate additional nursing needs.

If you have any further questions or concerns regarding this policy, please contact Human Resources Department.

Online Social Networking Policy

Tidewater Inn is committed to maintaining a good relationship with its employees and the marketplace. The way the public views Tidewater Inn is vital to maintaining business, gaining new business, retaining first-class employees, recruiting new employees and marketing our products and services.

While Tidewater Inn has no intention of controlling employee actions outside of work, employees should practice caution and use discretion when posting content on the Web. Employees have the right to use social media for personal expression on their own time, and Tidewater Inn will not violate employee privacy by attempting to access content that has not been made available publicly. This policy serves as a notice on the practice of social networking for all employees to read and understand. As more concerns develop and legislation is released, this policy is subject to change.

The purpose of this policy is to:

- Guarantee a constructive relationship between the company and its employees.
- Manage risk and preserve Tidewater Inn's positive reputation.
- Discourage the use of company time for personal social media activities.
- Promote awareness among employees of the number of individuals who can access information presented on social networking sites.

Definitions

Social networking and *social media* refer to any activity that involves interaction in online communities. This interaction includes, but is not limited to, browsing profiles and photos, reading messages sent through social networking forums and participating in instant messaging services.

A *social networking site* is any website that links individuals electronically and provides a forum where users can connect and share information. These websites can be tailored to specific interests or to certain types of users. Examples of popular social networking sites include Facebook, Twitter, Tumblr, Instagram, Vine, Flickr, Friendster, Classmates.com, LinkedIn, Xanga and Bebo. The list of social networking sites is constantly growing and changing because of the nature of the Web.

A *social networking profile* is a user's personalized page within a specific social networking site, usually containing personal information such as name, birthday, photo and interests.

Micro-blogging is the practice of publishing your recent whereabouts, thoughts or activities on a social networking site for other users to see. While not all social networking sites use micro-blogging, this is a primary focus of sites such as Twitter and Facebook.

Business purposes is considered using a social networking site for the company's gain, usually as a task or assignment given by a manager or supervisor. This can be done either through a specific company account on a given social networking site or through a personal account set up for the purposes of recruiting or marketing for Tidewater Inn.

Procedures

Prohibited Use

It is important that employees use their time at work for business purposes. Employees are not blocked from access to social networking sites on Tidewater Inn computers because, under some circumstances, social networking is a powerful business tool that can be channeled to gain positive publicity for the company and to connect with clients. However, access to such websites should follow company policy. The following actions are **prohibited** during working hours:

- Using social networking sites to conduct personal or non-company business with a company computer or device.
- Browsing social networking sites for non-company business on company time with a company computer or device.
- Reading e-mail alerts regarding personal social networking account activity or using Tidewater Inn e-mail to correspond with personal social networking contacts.
- Updating information, uploading photos or otherwise engaging with one's personal social networking profile for non-business purposes with a company computer or device.
- Micro-blogging for a non-business purpose on a social networking site throughout the day, whether it is on a company-provided computer or a personal smart phone device.
- Posting on review sites and/or posting photos and information pertaining to work related activities and events including, but not limited to, Social Events and/or Weddings is strictly prohibited. This also includes the use of any event photos on any personal social medias accounts you may have.

Prohibited Conduct

Having your own individual social networking account and using it on your own time is certainly permissible. However, keep in mind that some actions on your personal site are visible for the entire social networking community and may no longer be considered private matters. Tidewater Inn has put in place a set of conduct guidelines to protect its brand and prevent the unwanted disclosure of confidential information. Please follow these guidelines:

- Do not use micro-blogging features to disclose trade secrets, publish internal reports, provide tips based on inside information or participate in other activities that may be considered insider trading.
- We urge you to consider resolving workplace grievances internally. If you choose to address a grievance using social media, we recommend you refrain from posting comments and materials that could be viewed as malicious, obscene, threatening, intimidating or that could create a hostile environment on the basis of race, sex, disability, religion or any other status protected by law.
- We also recommend you refrain from posting any opprobrious, reckless or maliciously untrue comments. These communications may not be protected by law and subject to lawsuit.
- Do not impersonate Tidewater Inn or its employees, make statements on behalf of Tidewater Inn without authorization, or make statements that can be construed as establishing Tidewater Inn's official position or policy on any particular issue.

As stated above, the purpose of this policy is to protect Tidewater Inn's brand and prevent the disclosure of confidential information. It is not Tidewater Inn's intent to interfere with its employees' legal rights. Whenever state or federal law govern an area of social media participation, Tidewater Inn policies should be interpreted as to comply with them.

Open Door Policy

To foster an environment where employees and management feel comfortable communicating with and voicing concerns to one another, the company uses an Open-Door Policy. Basically, this policy means that all the managers' doors are open to all the employees, and employees are free to talk with management at any time. Please consider the following regarding this policy:

You are responsible for addressing concerns with a manager, from complaints to suggestions and observations. Addressing these concerns allows the company to improve and explain practices, processes and decisions.

We recommend that you first discuss concerns with your immediate supervisor, but the Open-Door Policy also gives you the option of discussing them with higher management and/or Human Resources. All these parties will be willing to listen to the issue and assist in a resolution.

Orientation Period Policy

For all employees hired by Tidewater Inn, the first 90 days of employment are considered an orientation period. During this time, the employee will undergo training and orientation as directed by the employee's supervisor. The employee's supervisor will also monitor the employee's performance during this time.

During the first 90 days of employment, the employee is encouraged and expected to ask questions concerning his or her job responsibilities, and to determine if he or she is satisfied with the position. If the employee's job performance is found to be unsatisfactory by his or her supervisor at any time during the first 90 days of employment, the employment will be terminated.

All new employees will receive a confidential performance evaluation from their supervisor at the end of the orientation period.

Overtime Pay Policy

Tidewater Inn must compensate all hourly, non-exempt employees one-and-a-half times their regular wage rate for all hours worked more than 40 hours each week.

At times, employees will be asked to work overtime to complete necessary work tasks. The employee's supervisor will notify the employee as early as possible regarding scheduling needs.

Employees who want to work more than 40 hours during a workweek must receive written authorization from their supervisor before working overtime.

Managers are responsible for maintaining and monitoring adequate staffing to avoid possible misuse of overtime.

Parental/School Leave Policy

Tidewater Inn understands that parental involvement with a child's education is a benefit to not only the parent and the child, but also the community. Because the ability to take time off work to attend functions and meetings at your child's school is important, Tidewater Inn provides parental and school leave to eligible employees in compliance with federal and state laws.

All employees can use up to six hours of their paid sick leave each year to attend school functions, meet with schoolteachers and administration or assist in their child's classroom. If state law requires a different arrangement, Tidewater Inn will comply with state law. Questions regarding the company's parental/school leave policy should be directed to Human Resources.

You are required to notify your supervisor ahead of time if you would like to use this type of leave. The ideal notice period is at least one week, but if this is not an option, it is expected that you will notify your supervisor as soon as possible.

Pay Periods and Check Distribution Policy

Employees will be paid on a bi-weekly basis, for completion of the two-week period ending the previous Saturday, or a portion thereof. Paychecks will be available for pick-up from your immediate supervisor on payday (Friday) by noon and must be signed for.

If an employee is absent on the date of paycheck distribution, his or her check will be held until he or she returns unless arrangements have otherwise been approved.

Paychecks will only be released to the individual whose name appears on the check, or to an individual whom the employee has designated and approved through written consent.

If a paycheck is lost by an employee a new one can be issued however there will be a \$35.00 charge to cover the stop-payment fee from the bank. If a check goes through the wash or is ripped or unreadable, please bring the check in and it will be replaced at no fee for the first occurrence.

Performance Evaluation Policy

Tidewater Inn is committed to providing you with feedback, both formal and informal, about your performance on the job. Managers and supervisors are responsible for providing ongoing performance feedback to each employee. In addition, your manager or supervisor may formally discuss and document your performance on a regular basis (generally annually). Performance evaluations will also take place during your 90-day probationary period.

Your performance appraisal discussion will review your strengths and identify any areas needing improvement, and goals and objectives that need to be achieved. Specific performance problems may be addressed outside the performance appraisal cycle through either informal discussions or formal disciplinary action. Such reviews will be conducted privately with your supervisor. Formal performance feedback becomes a permanent part of your personnel file. Salary adjustments may be reviewed on a case-by-case basis and will be done so by management at the time of the employee's annual review.

Please contact Human Resources if you feel that an evaluation is due to you or would be helpful to you.

Personnel Records Policy

Tidewater Inn strives to keep accurate and up-to-date personnel records.

Employee personnel files may include the following:

- Employee demographic information.
- Job application.
- Position description.
- Resume.
- Training records.
- Salary history.
- Disciplinary action records.
- Performance reviews.
- Coaching and mentoring records

To ensure the accuracy of your personnel records, please notify us immediately if any of the following changes:

- Name.
- Address.
- Telephone number.
- Marital status.
- Dependent status.
- Tax status.

Personnel records are confidential and are not available to anyone outside of the company, unless you have personally authorized their release. A release may not be necessary when reporting certain information as required by law or when an authorized governmental agency inspects files. Access to employee medical files is governed by HIPAA compliance regulations.

Employees are entitled to inspect and obtain copies (copying fee may be charged) of their personnel files. To obtain access to your records, contact Human Resources.

Phone Call Policy

Tidewater Inn provides phones to employees to increase efficiency in doing business. There are important things to consider when using company phones. Please adhere to the following guidelines, based on the type of call you are making or receiving:

Business phone calls—Much of our business is conducted over the phone, making our telephone techniques extremely important. A friendly but businesslike telephone manner should always be projected. When you are away from your work area, make a habit of forwarding your calls to the appropriate extension.

Personal phone calls - We recognize that periodically, personal phone calls must be made or received during the business hours. Such calls should be held at a minimum so that they do not interfere with the workflow.

Personal cellphone calls - To provide an optimum work environment, employees are expected to have cellphones turned off during work hours. Ringing cellphones are a distraction to co-workers and can interfere with productivity. Cellphones should only be used during breaks, lunches and outside of the office. Flexibility will be provided in circumstances demanding immediate or emergency attention. Any exception to this will be made by Management.

Voicemail - Company telephones are also equipped with voicemail. Voicemail was installed to help maintain our high quality of service for clients and to increase efficiency throughout the office. Voicemail will be an option to the caller; the call will not be put directly through to voicemail. It is recommended that employee greetings be changed daily. They should be brief and communicate your availability to clients.

Please contact Human Resources with questions about our Phone Call Policy.

Safety Policy

Tidewater Inn wants to ensure that our employees remain safe and injury-free at all times. The company intends to comply with all applicable safety laws. To guarantee that accidents are avoided whenever possible, we expect our employees to refrain from horseplay, careless behavior and negligent actions. It is the company's policy to maintain a safe and secure working environment for all employees and clients.

While working, employees must observe safety precautions for their safety and for the safety of others. All work areas must be kept clean, and free of clutter and debris. Any hazards or potentially dangerous conditions must be corrected immediately or reported to a supervisor.

If you are involved in an accident, you must:

- Report the accident to your supervisor or to Human Resources immediately.
- Obtain any necessary medical treatment.
- Fill out an Accident Report, regardless of the severity of the injury.
- If you must seek additional medical treatment, obtain your supervisor's consent before leaving the premises.

Employees who fail to comply with this procedure may be subject to disciplinary action.

Severe Weather Policy

Unless you are informed otherwise, always assume that Tidewater Inn is open for business during normal hours. Use common sense and your best judgment, however, when traveling to work in severe weather.

Some types of severe weather include blizzards, hurricanes and tornadoes.

If the company is not going to open for the day you will be contacted by your direct supervisor.

If the company has not been closed due to severe weather, and you arrive at work after your scheduled start time, the time missed will be charged as either (1) personal/sick time, (2) vacation time, or (3) unpaid time, in that order. You should always use your discretion in getting to work. Tidewater Inn attempts to accommodate individual situations by allowing the use of personal/sick time and vacation time in these situations.

During inclement weather, some associates may be offered the opportunity to stay at our hotel to better service our guests. Below are the guidelines that all associates must follow while staying on property during inclement weather:

- You must first get approval from your department head to stay overnight. Your department head will then relay the message to both the Front Desk Manager and the General Manager. You may not go the Front Desk to reserve your own room without prior approval from the Department Head or General Manager.
- There will be designated rooms that can be used for employees. The Front Desk will be educated on which rooms can be reserved from employees.
- When an employee stays overnight, it is imperative that they come to work at their scheduled time. The employee staying overnight may also have to work an extended shift for another employee that cannot make it in due to weather.
- You may only clock in for the time you are scheduled to work unless otherwise instructed by your department head.
- It is required that the associate behave in the same manner as they do when they are working. Remember you are representing TWI and are expected to behave in a professional manner.

Smoke-free Environment Policy

Tidewater Inn is a smoke-free environment. Smoking, chewing, use of e-cigarettes/pipes, electronic cigarettes and other tobacco and nicotine products is not permitted at any time in company work areas or vehicles, or in client work areas or vehicles.

All tobacco product breaks must be approved by management first. There will be no use of such products in public areas of the Company. Designated areas are provided for employees and will be communicated to you upon request. Tobacco products must be disposed of properly and not thrown on the ground.

Employees who smoke or chew must observe the same guidelines as nonsmokers for the frequency and length of break periods.

This policy applies equally to all employees, customers and visitors.

Social Functions Policy

At times, social events will be hosted by Tidewater Inn for employees to attend.

At all company social functions, employees are responsible for behaving in a professional manner. While alcohol may be served, employees should refrain from becoming intoxicated to avoid disruptive behavior.

Even at social functions, employees must remember that they are representing the company and need to ensure that they are always upholding the company's positive reputation. And, as always, employees are not allowed to return to work after consuming alcoholic beverages.

Solicitations / Distributions

Understanding that employees may occasionally wish to communicate with their co-workers to advertise personal items for sale or to participate in fundraisers for non-profit organizations, children's schools and other non-work events, we allow use of lunchrooms and breakrooms to distribute such information.

Management reserves the right to monitor such communications and remove them if inappropriate or not in the best interest of Tidewater Inn operations.

In respect for other's efficiency, please do not use work email, voicemail or other resources to solicit or distribute non-work materials. Activities that disrupt work hours or operations are prohibited.

Persons not employed by Tidewater Inn may not solicit company employees for any purpose on company premises.

Nothing in this policy is intended to infringe on an employee's right to discuss working conditions as provided by Section 7 of the National Labor Relations Act (NLRA).

Time Card Regulations Policy

Tidewater Inn requires that each non-exempt employee maintain an electronic time card of his or her hours of work. This will keep a record of work attendance. For nonexempt employees, time cards will also be used to ensure the accuracy of paychecks. All nonexempt employees are required to accurately record their hours worked each day.

Each employee must only use his or her own electronic time card. Employees who use an electronic time card other than their own will be subject to disciplinary action.

Employees may not punch in more than 7 minutes before the beginning of their shifts unless requested to do so by a member of the management team. Clock out upon the completion of your work and only with the approval of your manager. Leaving the work premises during your duty hours is not permitted without the permission of the management team.

Workers' Compensation Policy

Tidewater Inn provides workers' compensation, a type of accident and injury insurance that compensates an employee for lost wages, medical expenses and permanent impairment that results from an injury arising out of or in the course of work. Employees must report any work-related injury or disease immediately (or as soon as practicable) to their supervisor and Human Resources so that the necessary paperwork can be completed in a timely manner. Please note that under state laws, employees who fail to report work-related injuries in a timely manner may see a reduction or denial of their workers' compensation benefits.

If an employee can return to work after an injury or illness for which he or she was receiving workers' compensation, the employee must provide documentation from his or her medical provider that either outlines any work-related restrictions or verifies that the employee is able to complete all job-related tasks. If an employee can return to work under restrictions, the company will make every reasonable effort to accommodate the employee's work ability and job responsibilities. When the medical provider removes all work restrictions, the employee is expected to perform his or her regular duties and will no longer receive workers' compensation benefits.

FMLA leave and workers' compensation leave may be taken concurrently.

Summary and Acknowledgement of Employee Handbook

The Employee Handbook contains important information about the Company, and I understand that I should consult the Human Resources Department regarding any questions not answered in the handbook. ***I have entered my employment relationship with the Company voluntarily and understand that there is no specific length of employment. Accordingly, either the Company or I can terminate the relationship at-will, at any time, with or without cause, and with or without advance notice.***

I understand and agree that no person other than the Chief Executive Officer (CEO) and/or Chief Operating Officer (COO) may enter into an employment agreement for any specified period or make any arrangement contrary to the Company's stated employment-at-will policy.

Since the information, policies, and benefits described herein are subject to change at any time I acknowledge that revisions of the handbook may occur. All such changes will generally be communicated through official notices, and I understand that revised information may supersede, modify or eliminate existing policies.

Furthermore, I understand that this handbook does not create any expressed or implied contractual rights, including, but not limited to, a contract of employment. I have had the opportunity to read the handbook, and I understand that it is my responsibility to ask my supervisor or any employee of the Human Resources Department any questions I may have concerning the handbook. I accept the terms of the handbook. I also understand that it is my responsibility to comply with the policies contained in this handbook, and any revisions made to it. I further agree that if I remain with the Company following any modifications to the handbook, I thereby accept and agree to such changes.

I acknowledge that I have received information pertaining to the accessibility of the Employee Handbook through our Employee website as well as notification that each department head will have a hardcopy that will always be readily accessible to me. I further agree to take time to read and review the contents of the handbook.

Signature of Employee

Date

Employee's Name Printed

Company Representative

Date