HOT SPRINGS, ARKANSAS

EMPLOYEE HANDBOOK

REVISED 4/23/2015

DEMOTION POLICY

DEMOTION WHEN JOB IS ELIMINATED

When a job is eliminated, the person filling that job will be offered the opportunity to work at another open job he or she is qualified to perform. The other job may or may not have the same rate of pay and benefits. If more than one job is eliminated, and there are insufficient openings available, the better qualified individual will be placed in the job. Seniority will be considered when all other things are equal.

REDUCTION IN PERSONNEL

The same basic guidelines will be used as when a job is eliminated.

WORK NOT SATISFACTORY

Demotion will be considered in some instances when work performance has not been satisfactory. This, however, should not be construed as a guarantee or as a modification to all employees' "at-will" employment.

Consideration for demotion will be based on past work record; specific reason or reasons for one's work not being satisfactory; one's ability to perform at another job under circumstances of demotion; and the general good of person being demoted, other personnel and ABILITIES UNLIMITED.

RETURN OF COMPANY PROPERTY

Employees are responsible for all Company property issued to them or in their possession or control. All Company property must be returned by employees on or before their last day of work. As permitted by law, the Company may withhold from an employee's paycheck the cost of any items that are not returned. The Company may also take any action deemed appropriate to recover or protect its property.

NON-DISCRIMINATION POLICY

POLICY STATEMENT

It is the policy of ABILITIES UNLIMITED to provide equal employment opportunity for all employees. Accordingly, the Company will not engage in any form of employment discrimination based on race, color, creed, national origin, sex, religion, age, disability, veteran status, or any other legally protected status. The Company hereby affirms its desire to maintain a work environment for all employees that is free from all forms of unlawful employment discrimination.

Employment discrimination based on race, sex, color, national origin, religion, age, disability, veteran status, or any other legally protected status is a violation of Company policy as well as federal and state law, and will not be tolerated.

If you believe you have been the subject of employment discrimination, you should immediately report the problem to your supervisor. A complaint involving your supervisor should be reported to the Executive Director. A complaint involving the Executive Director should be reported to the Chair of the Board of Directors. Your complaint will be promptly investigated. You will be advised of the findings and conclusions. All employees are expected to cooperate fully in such investigations. To the extent feasible, all internal investigations and/or actions taken to resolve complaints of employment discrimination shall be confidential. Retaliation against any employee for making a complaint under this policy or for providing information during an investigation is strictly prohibited, will not be tolerated, and will be considered a violation of this policy. The proper measures to remedy any employment discrimination will be taken by the Company, up to and including termination of employment.

HARASSMENT POLICY

It is the policy of ABILITIES UNLIMITED to provide a workplace free from harassment. Harassment is a form of employee misconduct and will not be tolerated. All employees must be allowed to work in an environment free from harassment based on race, color, creed, national origin, sex, religion, age, disability, military status, or any other legally protected status.

Harassment based on race, color, creed, national origin, sex, religion, disability, military status, or other legally protected status includes any verbal or other conduct that demeans, insults or intimidates an employee or group of employees because of their race, color, creed, national origin, sex, religion, disability, military status, or other legally protected status. Prohibited conduct includes, but is not limited to, jokes, labels, names, verbal abuse, ridicule or stories offensive to a particular group of persons.

Because of the Company's strong disapproval of offensive or inappropriate sexual behavior at work, all employees must avoid any action or conduct which could be viewed as sexual harassment, including:

- Unwelcome sexual advances, including:
 - Unwelcome requests for dating.
 - The request for sexual acts or favors.
- Verbal abuse of a sexual nature, including:
 - Sexually-related comments or joking.
 - Graphic or degrading sexual comments about another's appearance.
- 3. Nonverbal abuse of a sexual nature, including:
 - Suggestive or insulting noises, leering, whistling or making obscene gestures, e.g., giving someone the finger.
 - The display of sexually suggestive objects or pictures.