

EMPLOYEE HANDBOOK

Receipt & Acknowledgement of RSI Employee Handbook

This Employee Handbook is an important document intended to help the Employee become acquainted with Real Soft, Inc. (hereinafter RSI). This Handbook will serve as a guide and nothing within it is to be construed as a contract. RSI reserves the right to change any terms or conditions of employment.

Please read the following statements and sign below to indicate your receipt and acknowledgement of the RSI Employee Handbook.

- ➤ I have received and read a copy of the RSI Employee Handbook. I understand that the policies, rules and benefits described in it are subject to change at the sole discretion of RSI at any time. I understand that this Handbook supersedes and revokes any and all memoranda, handbook, bulletins, policies, procedure issued by RSI before the date of this revision.
- I further understand that my employment is terminable at will, either by myself or RSI, with cause or without cause, regardless of the length of my employment or the granting of benefits of any kind.
- ➤ I understand that no contract of employment other than "at will" has been expressed or implied, and that no circumstances arising out of my employment will alter my "at will" employment relationship.
- ➤ I am aware that during the course of my employment, I may be exposed to confidential information i.e., product designs, marketing strategies, customer lists, pricing policies and other related information. I understand that this information is critical to the success of RSI and must not be given out or used outside of RSI's premises or with non-RSI employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company. Furthermore, I will immediately return to all confidential and proprietory information in my possession.
- ➤ I understand that, should the content of the Employee Handbook be changed in any way, RSI may require an additional signature from me to indicate that I am aware of and understand any new policies.
- > I understand that my signature below indicates that I have read and understand the above statements and I agree I will conform to these policies.

Employee's Printed Name	Position	
Employee's Signature	Date	

Purpose of This Handbook

Please read this Handbook carefully, and refer to it whenever questions arise.

The policies and procedures are intended to be guidelines to management and are merely descriptive of suggested procedures to be followed. Real Soft, Inc. reserves the right to revoke, change or supplement guidelines at any time without notice. If and when provisions are changed, Employee will be sent replacement pages and/or obtain an update on our website, www.realsoftinc.com. Employee will be responsible for checking the Real Soft, Inc. website for any periodic updates and/or changes to the Employee Handbook.

No policy is intended as a guarantee of continuity of benefits or rights. No permanent employment or employment for any term is intended or can be implied from any statements in this manual. Your employment remains "at will".

The policies and procedures in this handbook are not intended to be contractual commitments by Real Soft, Inc.. Employees shall not construe them as such.

DISCLAIMER

The policies in this Handbook are to be considered as guidelines. RSI, at its option, may amend, delete, suspend or discontinue any part or parts of the policies in this Handbook at any time without prior notice. Employees may not accrue eligibility for monetary benefits that they have not earned through actual time spent at work. Employees shall not accrue eligibility for any benefits, rights, or privileges beyond the last day worked. No statement or promise by a supervisor, manager, or department head may be interpreted as a change in policy nor will it constitute an agreement with an employee. The terms of your offer letter/contract will control the specific benefits.

Should any provision in this Employee Handbook be found unenforceable and invalid, such finding will not effect the validity of the entire Employee Handbook, but only the subject provision(s). This Handbook shall be construed as if such invalid or unenforceable provisions were omitted.

This Handbook supercedes all other previously issued Handbooks for RSI.

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Contact Information

All coorespondance and communication should be directed to the Human Resources Department at Real Soft Headquarters located at:

Real Soft Inc. Cranbury Campus 2540 Route 130 North, Suite 118 Cranbury, New Jersey 08512

Telephone: (609) 409-3636 **Facsimile:** (609) 409-3637 **Email:** hr@realsoftinc.com

Contact: Human Resource Department

What RSI Expects From Employee

The employees first responsibility is to know his/her own duties and how to do them promptly, correctly and pleasantly. Secondly, employees are expected to cooperate with management and co-workers and maintain a good team attitude. How employees interact with their peers, those whom RSI serves; and how employees accept direction can affect the success of employee's department. In turn, the performance of one department can impact the entire services offered by RSI. Consequently, whatever the employee's position, he/she has an important assignment: perform every task to the very best of employee's ability. The result will be better performance for the company overall, and personal satisfaction for the employee.

This Handbook offers insight on how employees can positively perform to the best of his/her ability to meet and exceed RSI expectations.

RSI is dedicated to making it a company where employees can approach his/her account manager or any member of management, to discuss any problem or question. It is inappropriate and unprofessional to discuss employment issues, wages, terms of employment with client managers. All employment related queries are to be addressed with the Human Resource Department. RSI encourages employees to express their views and opinions in a positive and productive manner.

It is RSI's objective to provide a healthy, pleasant and safe working environment and employees are an integral component in ensuring that objective. The employees help in creating a healthy, pleasant and safe working environment is integral to RSI's success.

I. Employment

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Personnel Administration

The task of maintaining personnel records and related personnel administration functions at RSI has been assigned to the Human Resource Department. Questions regarding insurance and interpretation of policies should be directed to the Human Resource Department. Questions regarding wages should be directed to the Accounting Department - Payroll Administrator.

Employee Personnel File

Keeping the personnel file up-to-date is very important. It is the responsibility of the employee to ensure that the Human Resource Department has the most current information. Please notify the HR Department as soon as possible regarding changes to the following:

- 1. Legal name
- 2. Home address
- 3. Home telephone number
- 4. Person to call in case of emergency
- 5. Number of dependents
- 6. Marital status
- 7. Change of beneficiary
- 8. Driving record or status of driver's license, if Employee operates any RSI vehicles
- 9. Military or draft status
- 10. Exemptions on your W-4 tax form
- 11. New W-4, I-9s, Social Security Card in the event of a legal name change
- 12. Worksite contact information;
- 13. Other.

***Failure to notify the company of any changes may affect the processing of benefits. Coverage or benefits that employee and eligible dependants may be entitled to under RSI's benefits package could have a negative impact if the information in your personnel file is incorrect.

Employment Classifications

At the time of employeent, employee is classified as salaried employee – exempt, salaried employee-non-

exempt, or hourly employee. The terms of the employee's contract will control the specific benefits.

Full-Time Employees

An employee who has successfully completed the Introductory Period (see the Employment Policies section for definition) of employment and who works at least forty (40) hours per week on a regularly

section for definition) of employment and who works at least forty (40) hours per week, on a regularly

scheduled basis, is considered a full-time employee.

Full-time employees who have been on an approved leave of absence, upon his/her return will be

considered a full-time employee, provided the employee returns to work as approved by RSI

management.

Salaried Employees - Exempt

A salaried employee – exempt is defined as an executive, professional, or administrative employee not

covered by the overtime provisions of the Fair Labor Standards Act (FLSA).

The terms of the employee's contract will control the specific benefits.

Salaried Employees- Non-Exempt

A salaried employee – non-exempt is defined as an executive, professional, or administrative employee

covered by the overtime provisions of the Fair Labor Standards Act (FLSA).

The terms of the employee's contract will control the specific benefits.

Please Note: All Overtime must be approved by employee's manager before working overtime.

Hourly Employees

A hourly employee is paid an hourly rate and is protected by the minimum wage and overtime provisions

of the Fair Labor Standards Act (FLSA).

The terms of the employee's contract will control the specific benefits.

Please Note: All Overtime must be approved by employee's manager before working overtime.

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Part-Time Employees

An employee who works less than a regular forty (40) hour work week, on a regular basis, is considered a part-time employee. Part-time employees are not eligible for any benefits except to the extent required by provision of state and federal laws.

Temporary Employees

From time to time, RSI may hire employees for specific periods of time or for the completion of a specific project. An employee hired under these conditions will be considered a temporary employee. The job assignment, work schedule and duration of the project will be determined on an individual basis.

Normally, a temporary position will not exceed six (6) months in duration, unless specifically extended by a written agreement. Summer and internship employees are considered temporary employees.

Employment Policies

Anniversary Date

The first day employee reports to work is his/her "official" anniversary date.

At - Will Employment

All employment with RSI is "at will". This means that employment can be terminated with or without cause, and with or without notice for any reason whatsoever.

Business Hours

Our regular operating hours are Monday through Friday - 8:30 AM to 5:30 PM. If the employee is working at a Client Site then the Client's hours of business will define the hours of scheduled work.

An employee's particular hours of work and the scheduling of the lunch period will be determined and assigned by the (Client) manager or department head. The work week is defined in employee's offer letter. Employee is required to take a lunch period daily. Employee may not "work through lunch" in order to arrive late or to leave early or to work extra time.

Confidential Information

RSI is entrusted by its customers and suppliers with important information relating to their businesses. The nature of this relationship requires maintenance of confidentiality during your employment and for a period of two years after termination of the employment relationship with RSI.

As part of the employee's relationship with RSI, he/she may acquire or develop confidential and proprietary information concerning the Company, its dealings, and method of dealings with its customers, their clients or end users. Employees recognize and acknowledge that the services the Company performs for its clients are confidential. Confidential information is defined as business affairs, finances, properties, methods of operation and other data applicable to Client. Employee further recognizes and acknowledges that the good will of the Company depends, among other things, upon its keeping such services and information confidential and that the unauthorized disclosure of the same would irreparably damage the Company. By reason of employee's duties hereunder, he/she may come into possession of confidential information indirectly. All such information concerning clients of the Company and services rendered by the Company to such clients is "Confidential Information." Such Confidential Information is for the Company's exclusive benefit and that, both during the employee's employment with RSI and all times thereafter, employee will not directly or indirectly use or disclose any Confidential Information except for the sole benefit and with the consent of the Company. Upon the conclusion of the relationship with RSI, employee will promptly return all documents and information (including computer generated or stored matters) concerning the Company or its customers and consultants.

Due to the seriousness of prohibited conduct, disclosure of confidential information will be subject to appropriate actions being taken by RSI management. Such action may include, but is not limited to termination of employment.

The terms of the confidentiality clause of your Employment Agreement would control.

Employee is not permitted to remove or make copies of any RSI records, reports or documents without prior written management approval. Such unauthorized action may result in legal action being initiated at the discretion of RSI Management.

Customer Relations

As a representative of RSI, each employee is responsible for conducting himself/herself in the utmost professional manner including but not limited to the following:

- 1. Act in a competent and professional manner when conducting business with customers;
- 2. Act in a courteous and congenial manner.;
- 3. Communicate pleasantly, respectfully, and professionally with peers at all times; and
- 4. Make RSI aware of opportunities at client site

The employee's professionalism is a reflection of RSI.

Equal Employment Opportunity

RSI is an Equal Opportunity Employer.

No employee of the company will discriminate against an applicant for employment or a fellow employee because of race, creed, color, religion, gender, national origin, ancestry, age, veteran status, sexual orientation, or other physical, or mental disability, or any other basis protected by state or federal law.

This policy applies to all employment practices and personnel actions including advertising, recruitment, testing, screening, hiring, selection for training, upgrading, transfer, demotion, layoff, termination, rates of pay, and other forms of compensation or overtime.

It is the policy of RSI to:

- * strictly follow personnel procedures that will ensure equal opportunity for all people without regard to race, color, religion, creed, national origin, gender, age, ancestry, marital status, disability, veteran or draft status, sexual orientation, any other basis protected by state or federal law;
- * achieve understanding and acceptance of RSI's policy on Equal Employment Opportunity by all employees;
- * thoroughly investigate instances of alleged discrimination and/or harassment and take corrective action where-warranted, and

* be continually alert to identify and correct any practices by individuals that are at variance with the intent of the Equal Employment Opportunity Policy.

Please Note: Throughout this Employee Handbook, masculine pronouns such as he, his, or him shall be construed so as to include both sexes.

Harassment Policy

RSI's harassment policy and Complaint procedure mandates that a pleasant, healthy, comfortable work environment be provided which is free from intimidation, hostility or other offenses which might interfere with work performance. Harassment of any sort - verbal, physical, visual - will not and is not tolerated.

What Is Harassment?

Harassment can take many forms. It may be, but is not limited to: words, signs, jokes, pranks, intimidation, physical contact, or violence. Harassment is not necessarily sexual in nature. Behaviour which creates an intimidating, hostile and offensive work environment shall not be tolerated.

Sexual Harassment

Sexual Harassment is defined as unwelcome harassment of a sexual nature. Sexual harassment can be:

- 1. physical, including unwelcome touching and gesturing;
- 2. Verbal, including unwelcome requests for a date or sexual favors or lewd remarks or sounds;
- 3. Visual, including unwelcome exposure to sexual photos, cartoons, or drawings.

RSI will not allow any form of sexual harassment or any such conduct that has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment. Sexually harassing conduct may include unwelcome sexual advances, requests for sexual favors, or any other verbal or physical contact of a sexual nature that prevents an individual from effectively performing the duties of their position or creates an intimidating, hostile or offensive working environment, or when such conduct is made a condition of employment or compensation, either implicitly or explicitly.

All RSI employees, and particularly managers, have a responsibility for keeping our work environment free of harassment. Such conduct, when experienced or observed, should be reported immediately to the supervisor/manager or Human Resource Department. The Human Resource Department will conduct an investigation and will be required to report the findings to the President's office or his or her appointed representative. The privacy of the employee filing the report and the employee under investigation shall be respected at all times consistent with the obligation to conduct a fair and thorough investigation. Any employee found to have harassed a fellow employee or subordinate will be subject to severe disciplinary action or possible discharge. RSI will also take any additional action necessary to appropriately remedy the situation. No adverse employment action will be taken for any employee making a good faith report of alleged harassment.

Any intentional discrimation/harassment is considered to be a major violation of company policy and will be dealt with accordingly by corrective counseling and/or suspension or termination, depending upon the severity of the violation.

It is the intent of RSI to provide a work environment free from verbal, physical, and visual forms [e.g., signs, posters, or documents] of discrimination and sexual harassment and an environment free of unlawful discrimination/harassment, intimidation or coercion in any form. All employees are expected to be sensitive to the individual rights of their co-workers.

Health Examinations

Once an employee has been hired, medical evaluations may be required to ensure that a prospective employee is capable of performing his or her essential job-related tasks. A Medical Evaluation may be required in the event the Client, at which employee is performing services, requires a medical evaluation. A medical evaluation will be conducted whenever a job has special physical demands or if a reasonable question exists concerning whether the employee would endanger his or her health or safety or the health or safety of others in performing assigned tasks.

The medical evaluation will be at company expense and performed by a physician chosen by the company. HIPAA laws control the release of medical information.

Introductory Period

Your first thirty (30) days of employment at RSI are considered an Introductory Period. During this period the employee will not accrue benefits described in this Handbook unless otherwise required by law.

During this Introductory Period, RSI will evaluate employee's suitability for employment, and employee can evaluate RSI as well. At any time during this first thirty (30) days employee may resign without any detriment to your record. If, during this period, employee's work habits, attitude, attendance or performance do not meet RSI's standards, RSI may release you. If employee takes approved time off in excess of five workdays during the Introductory Period, this Period may be extended by that length of time.

Please understand that completion of the Introductory Period does not guarantee continued employment for any specified period of time, nor does it require that an employee be discharged only for "cause." The terms of the employee's employment remain "at will."

A former employee who has been rehired after a separation from RSI of more than one (1) year is considered an introductory employee during their first thirty (30) days following rehire.

Non-Compete Agreement

The terms of the non-competition and non-solicitation clause of your Employment Agreement would control.

Outside Employment

What the employee does on his/her free time is their own business. However, if the employee is employed by RSI in a full-time position, RSI will expect that your position here is your primary employment. Any outside activity must not interfere with your ability to properly perform your job duties at RSI.

Authorized to Work in the U.S.

Federal regulations require that 1) before becoming employed, all applicants must complete and sign Federal Form I-9, Employment Eligibility Verification Form; and 2) all applicants who are hired need to present documents of identity and eligibility to work in the U. S.

Standards of Conduct

RSI expects its employees to conduct themselves in a professional, courteous manner when interacting with fellow employees, Clients, Customers and the Public.

By accepting employment with RSI, the employee has a responsibility to the Company and to fellow employees to adhere to certain rules of behavior and conduct. Acting in a professional, courteous and concerted manner, assists in ensuring a healthy pleasant work environment.

Disciplinary Actions

Unacceptable Activities

If the employee has any questions concerning any work or safety rule, or any of the unacceptable behavior/activities listed, please contact the Human Resource Department for an explanation.

Unacceptable behavior/activities may include but is not limited to the following:

- * violation of any company rule;
- * violation of security or safety rules or failure to observe safety rules or RSI safety practices; failure to wear required safety equipment; tampering with RSI equipment or safety equipment.
- * Being intoxicated or under the influence of controlled substance drugs while at work; use or possession or sale of controlled substance drugs in any quantity while on company premises except medications prescribed by a physician which do not impair work performance.
- * possession of dangerous or illegal firearms, weapons or explosives on company property or while on duty.
- * Engaging in criminal conduct or acts of violence, or making threats of violence toward anyone on company premises or when representing RSI; fighting, or horseplay or provoking a fight on company property, or negligent damage of property.
- * Threatening, intimidating or coercing fellow employees on or off the premises -- at any time, for any purpose.
- * Engaging in an act of sabotage; with gross negligence causing the destruction or damage of company property, or the property of fellow employees, customers, suppliers, or visitors in any manner.
- * Theft of company property or the property of fellow employees; unauthorized possession or removal of any company property, including documents, from the premises; unauthorized use of company equipment or property for personal reasons; using company equipment for profit.
- * Dishonesty; falsification or misrepresentation on your resume or other work records; lying about sick or personal leave; falsifying reason for a leave of absence or other data requested by RSI; alteration of company records or other company documents.
- * Violating the non-disclosure agreement; giving confidential or proprietary RSI information to competitors or other organizations or to unauthorized RSI employees; working for a competing business while a RSI employee; breach of confidentiality of personnel information.
- * Engaging in Malicious conduct and/or spreading rumors; engaging in behavior designed to create discord and lack of harmony; interfering with another employee on the job;
- * Immoral conduct or indecency on company property.

- * Conducting a lottery or gambling on company premises.
- * Any acts of harassment, sexual, racial or other; discriminatory conduct, including but not limited to telling sexist or racial-type jokes; making racial or ethnic slurs.
- * Excessive tardiness.
- * Excessive absenteeism.
- * Excessive use of company telephone for personal calls.
- * Smoking in restricted areas or at non-designated times, as specified by department rules.
- * Creating or contributing to unsanitary conditions.
- * Posting, removing or altering notices on any bulletin board on company property without permission of an officer of RSI.
- * Failure to report an absence or late arrival; excessive absence or lateness within a reasonable period of time.
- * Obscene or abusive language toward any manager, employee or customer; indifference or rudeness towards a customer or fellow employee; any disorderly/antagonistic conduct on company and/or client premises.
- * Failure to immediately report damage to, or an accident involving company equipment.
- * Soliciting without authorization.
- * Failure to maintain a neat and clean appearance in terms of the standards established by your manager; any departure from accepted conventional modes of personal grooming; failing to abide by the Client Site's dress code;
- * Failure to use your timecard; falsification and alteration of your own timecard or records or attendance documents; falsifying or altering another employee's timecard or records, or causing someone to falsify or alter your timecard or records.

Engaging in prohibitive conduct may be subject to disciplinary action and possible immediate termination of employment. RSI reserves the right to initiate legal remedies it has available.

Notwithstanding this list, all employees remain employed "at will."

Disciplinary Actions

Unacceptable behavior which does not lead to immediate dismissal may be dealt with in the following manner:

Verbal Warning Written Warning Dismissal

The Employee will have an opportunity to defend his/her actions and rebut the opinion of their manager at the time the warning is issued. Disciplinary actions may include suspensions or other measures deemed appropriate to the circumstances.

All pertinent facts will be carefully reviewed, and the employee will be given a full opportunity to explain his or her conduct before any decision is reached.

Discipline

The Discipline Policy applies to all regular employees who have completed the introductory peiod.

This policy pertains to matters of conduct as well as the employee's competence. However, an employee who does not display satisfactory performance and accomplishment on the job may be dismissed, in certain cases, without resorting to the steps set forth in this policy.

Under normal circumstances, RSI expected to follow the three-step procedure outlined below. There may be particular situations, however, in which the seriousness of the offense justifies the omission of one or more of the steps in the procedure. Likewise, there may be times when the company may decide to repeat a disciplinary step.

To insure that RSI business is conducted properly and efficiently, the employee must conform to certain standards of attendance, conduct, work performance and other work rules and regulations.

When a problem in these areas do arise, RSI will develop an effective solution. If, however, the employee fails to respond to the recommended "solution[s]", or an incident occurs requiring formal discipline, the following procedures will occur.

Step One: Oral Reminder

RSI will meet with the employee to discuss the problem, ensuring that the employee understands the nature of the violation and the expected remedy. The purpose of this conversation is to remind the employee of exactly what the rule or performance expectation is and also reminds the employee that it is his/her responsibility to meet that expectation. A copy that an oral reminder was given shall be noted in the employee's personnel file.

Step Two: Written Reminder

If employee's performance does not improve, or if the employees is again in violation of RSI practices, rules or standards of conduct, RSI will discuss, the problem with employee, emphasizing the seriousness and the need to immediately remedy same.

Following the conversation, RSI will write a memo to the employee summarizing the discussion. The original memo will go to employee and a copy will be placed in his/her Personnel file.

Step Three: Dismissal

If the employee's performance does not improve following a Written Reminder, or if employee is again in violation of RSI's practices, rules or standards of conduct, RSI, at its discretion, may terminate his/her employment.

Dismissal

Employment and compensation with RSI is "at will" in that they can be terminated with or without cause, and with or without notice, at any time, at the option of RSI.

I Compensation & Performance

Wage & Salary Policies

Deductions From Paycheck (Mandatory)
Repayment of Company Loan/Payroll Advance
Error in Pay
Overtime Pay
Pay Cycle
Time Cards/Records
Wage Garnishments

Performance & Compensation Reviews

Performance Reviews Compensation Reviews

Work Schedule

Absence or Lateness
Attendance
Lunch Period/Breaks/Rest Periods
Closure After Starting Time
Record of Absence or Lateness

Wage & Salary Policies

RSI pays wages and salaries that are competitive, variable with individual and company performance and in compliance with applicable statutory requirements.

Application

RSI applies the same principles of fairness and external comparability to all employees, regardless of organizational level, race, creed, color, religion, gender, national origin, ancestry, age, veteran status, sexual orientation, or other physical, or mental disability, or any other basis protected by state or federal law.

Basis for Determining Pay – Salaried and Hourly

Employee's pay is influenced by three factors:

- 1. The nature and scope of the job
- 2. Client Site and Individual Client Rates:
- 3. Individual performance

Individual Pay

On or about an employee's anniversary date, a performance review with his/her manager or supervisor may be conducted.. Individual performance, increased work responsibilities, promotions may be determining factors.

Deductions From Paycheck (Mandatory)

RSI is required by law to make certain deductions from employee' paycheck. Among these are federal, state and local income taxes and contribution to Social Security. These deductions are itemized on employee's check stub. The amount of the deductions may depend on the employee's earnings and on the information he/she furnishes on their W-4 form regarding the number of dependents/exemptions claimed. Any change in name, address, telephone number, marital status or number of exemptions must be reported to the Human Resource Department and the Accounting Department - Payroll Administrator immediately, to ensure proper credit for tax purposes. The W-2 form the employee receives for each year indicates precisely how much of his/her earnings were deducted for these purposes.

Any other mandatory deductions to be taken from the employee's paycheck, such as court-ordered attachments, will be explained whenever RSI is ordered to make such deductions. Some states may require additional payroll deductions.

Any questions related to your payroll should be directed to the Accounting Department – Payroll Administrator.

Note: See "Wage Assignments (Garnishments)" later on in this section for further information.

Repayment of Company Loan/Payroll Advance

In the event of an advance/loan from RSI, such funds shall be deducted from the current wages, in accordance with the written terms and conditions agreed upon at the time the advance/loan was given.

Error In Pay

Every effort is made to avoid errors in the employee's paycheck. If he/she believes an error has been made in their paycheck, the Accounting Department – Payroll Administrator should be notified immediately. The necessary steps shall be taken to address the issues promptly. Discussions with Client Managers regarding payroll issues is strictly prohibited.

Overtime Pay

On occasion, it may be necessary for the employee to perform beyond their regularly scheduled hours. Such work must be approved in advance by the Manager (Corporate/Client). When it is necessary to work beyond the regularly scheduled hours, employee is expected to cooperate as a condition of his/her employment. The terms and conditions of employment agreement control.

Pay Cycle

Fiscal Pay Period/Bi-weekly:

Payday is normally every two weeks for services performed for the two (2) week period ending the previous Saturday at 12:00 midnight. Please refer to the employee section of the RSI website, http://www.realsoftinc.com, for the payroll schedule.

Employees will not be paid when office is closed due to circumstances not within RSI's control.

Termination & Severance Pay

In the event employee intends to terminate employment with RSI, he/she is required to give at least ten (10) days written notification. Any accrued but unused paid time off will be paid at the time of employment termination, as specified under "Paid Time Off" in the "Benefits" section of this Handbook, subject to any amounts owing to RSI at the time of termination. Please note that the notice requirement is subject to the terms and conditions of the Employment Agreement.

Please Note: Corporate Employees must use accrued PTO before the last date of employment or it will be deemed lost and not paid.

Time Cards/Records

By law, RSI is required to keep accurate records of the time worked by employees. RSI ensures compliance through the use of time sheets.

Employees are responsible for timely submission of timesheets (paper or electronic). If an error is made on the timesheet, the employee's Manager must make the correction and initialize same. Furthermore, the correction should be initialed by employee.

No one may record hours worked on another's time sheet Tampering with another's timesheet is cause for disciplinary action, including possible dismissal, of both employees. Do not alter another person's record, or influence anyone else to alter his/her record on employee's behalf.

Wage Garnishments

RSI is required to comply with court ordered wage assignments and/or garnishment against employee's wages. Employee may be charged for the administration of the garnishment as allowed by the Courts.

Note: See "Deductions From Paycheck (Mandatory)" earlier in this section for further information.

Performance & Compensation Reviews

Performance Reviews

RSI may conduct a review of employee's performance in accordance with employee's Employment Agreement

During a performance review, one or more of the following things may be considered:

- * Attendance, initiative and effort
- * Knowledge of your work
- * Attitude and willingness
- * The quality and quantity of your work

Performance reviews identify employee's strengths and weaknesses, reinforces good work habits and develops areas of improvement. Additionally, the process serves to make the employee aware of and to document his/her job performance in relation to the employee's established goals and objectives.

Corporate Employees:

At RSI's discretion, a meritorious review shall be conducted on or about your anniversary date.

Field Employees

At RSI's discretion, a meritorious review may be conducted on or about your anniversary date. The client site review by your client manager shall be a contributing factor.

Compensation Reviews

Wage and salary increases are based upon merit, but not length-of-service. Having employee's compensation reviewed does not signify that employee will be given an increase.

Work Schedule

Corporate Employees

The normal work week consists of five (5) days, nine (9) hours long, Monday through Friday. This

includes a one (1) hour lunch break.

Field Employees (Onsite and Offsite)

The work week shall be determined by the client's requirements (onsite and offsite).

Absence or Lateness

RSI recognizes that emergencies, illnesses, or pressing personal business may arise within the work hours.

Paid Time Off has been provided for this purpose.

If employee is unable to report to work, or will be late, please contact the office and/or employee's

supervisor/account manager immediately. Give him or her as much time as possible to arrange for someone else to cover employee's position until he/she arrives. If employee knows in advance that he/she

will need to be absent, employee is required to request this time off directly from his/her Client Manager.

When employee calls in to inform RSI of an unexpected absence or late arrival, ask for the Office

Manager. For late arrivals, please indicate when employee expects to arrive for work. Notifying the switchboard operator or a fellow-employee is not sufficient. If employee is unable to call in himself/herself

because of an illness, emergency or for some other reason, employee is responsible for ensuring that someone call on his/her behalf. If the manager is not available when employee calls, he/she may leave the

information with another manager.

Absence from work for three (3) consecutive days without notifying your manager or the HR

administrator will be considered a voluntary resignation.

Please Note: Please refer to section on Paid Time Off for applicabilty.

Lunch Period/Breaks/Rest Periods

If employee works longer than four (4) hours, he/she will be given an unpaid lunch period. The time when

lunch periods are scheduled varies among clients, depending on the needs of each client. Employee's

Supervisor/Client Manager may structure employee's lunch period schedule.

Employee is expected to take the full allotted time for lunch.

Salaried Corporate Employees

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Employee is entitled to one hour for lunch/breaks and rest periods.

Field Employees

The requirement's of the client site controls Employee's lunch period and/or breaks if any.

Closure After Starting Time

In the event Corporate offices are open and due to inclement weather conditions the employee does not report to work, then the hours away from the office shall be be deducted from your accrued Paid Time Off.

At the Client Site, Client Site policies are applicable. Should Client decide to close for the remainder of the day, employee will be notified as soon as possible by his/her Client Manager. Employee shall be entitled to payment in such an event only if Client permit's billable for such date.

Record of Absence or Lateness

If employee is absent because of illness for three (3) or more successive days, his/her manager may request that employee submit written documentation from his/her doctor. If employee is absent five (5) or more days because of illness, employee may be required to provide written documentation from a doctor that employee is able to resume normal work duties before he/she will be allowed to return to work. Employee is responsible for any charges made by his/her doctor for this documentation.

Employee's attendance record will be considered when evaluating requests for promotions, transfers, leaves of absence, and approved time off, as well as scheduling layoffs, etc.

III. Benefits

The Benefits Package

Eligibility for Benefits

Paid Leaves of Absence

Holidays

Recognized Holidays Holiday Policies

Paid Time Off

Unpaid Leaves of Absence

Medical/Family Leave of Absence Disability (Including Pregnancy) Leave of Absence Election Day Military Leave of Absence Military Reserves or National Guard Leave of Absence

Insurance Coverage

Group Insurance
Disability Insurance
Health/Dental Insurance
Termination of Insurance
Workers' Compensation

Profit Sharing & Retirement

401(K) Plan

The Benefits Package

RSI has a comprehensive benefits package. Periodically the benefits program may be reviewed and modifications/amendments made.

Eligibility for Benefits

Salaried Employees

The terms and conditions of your offer letter/employment contract control the benefits for which Employee's are eligible.

Hourly Employees

The terms and conditions of your offer letter/employment contract control the benefits for which Employee's are eligible.

Part-Time Employees

Part-Time Employees are not eligible for benefits unless specified in your offer letter/employment contract.

Interns

Interns are not eligible for benefits.

Temporary Employees

Temporary employees are not eligible for benefits.

Note: See "Introductory Period" in the "Employment" section of this Handbook for further information.

Paid Leaves of Absence Holidays

Only full-time, salaried employees are eligible for holiday pay.

Employee is not eligible to receive holiday pay during the Introductory Period. Nor is he/she eligible to receive holiday pay if employee is a part-time employee, intern or a temporary employee.

Recognized Holidays

The following holidays are recognized by RSI as paid holidays:

New Year's Day

Labor Day

Memorial Day Thanksgiving Day Independence Day Christmas Day

Salaried Field Employees are to observe the Client Holidays upto a maximum of ten (10) holidays.

Hourly employees, part-time employees, interns and temporary personnel are not entitled to paid holidays.

Holiday Policies

Employee may take time off to observe his/her religious holidays. If available, a full day of unused Paid Time Off may be used for this purpose, otherwise the time off is without pay. An Employee must notify his/her Manager (Client/Corporate) at least ten (10) business days in advance.

All national holidays are scheduled for the day designated by common business practice.

Employee is not eligible to receive holiday pay while he/she is on a leave of absence.

Paid Time Off

Only Regular Full-Time Salaried Employees are eligible for Paid Time Off. Paid Time Off may be used for personal, sick and/or vacation periods. Hourly Employees are not eligible for Paid Time Off.

Full-time salaried employees are eligible for accrual of paid time off after the completion of the Introductory Period.

Paid Time Off days accrue at the rate of 4.6153 hours per pay period, based on a minimum bi-weekly period of 80 hours, limited to fifteen (15) days per calendar year. Eligible employees may be compensated for their unused Paid Time Off at the regular rate of pay. Salaried corporate employees must use their Paid Time Off and are not entitled to compensation for their unused Paid Time Off.

Eligible Employees may accumulate their Paid Time Off not taken to the next Paid Time Off year and into the succeeding years thereafter to a maximum of 120 hours. Excess days will be paid for. Corporate exempt employees are not eligible for encashment.

Paid Time Off must be taken only on such days as are agreeable and appropriate to the company/business needs. Paid Time Off cannot interfere with your department. During periods of unpaid time off, non-productive status, leave of absence, PTO is not accrued.

If Employee is on an approved leave of absence for less than thirty (30) days, your paid time off eligibility will not be affected. Should the leave extend beyond thirty (30) days, paid time off will not continue to accrue. Futhermore, employee understands that his/her group health benefits may terminate in the event his/her Leave of Absence exceeds thirty (30) days or more.

In the event of an illness or injury covered by workers' compensation, the paid time off policy will not apply but will defer to the state statutes.

Paid Leaves of Absence

Time taken off during the working day shall be counted against the accrued Paid Time Off, as is appropriate, in hourly, quarter day, half day or full day increments. Thereafter, unless specifically excepted, any time off will be without pay.

Unpaid Leaves of Absence

Occasionally, for medical, personal, or other reasons, employee may need to be temporarily released from the duties of his/her job with RSI, but may not wish to submit his/her resignation. Under certain circumstances, employee may be eligible for an unpaid leave of absence.

There are several types of unpaid leaves which employee may be eligible for.

Family/Medical Leave of Absence

In general, a leave of absence is an official authorization to be absent from work **without pay** for a specified period of time. Eligible employees may be entitled to job-protected family or medical leaves of absence if they are unable to come to work due to pressing family or medical concerns as described under the following Family/Medical Leave Policy, which shall be administered in accordance with applicable State and Federal laws.

If an employee is eliligible for both unpaid leave of absence and Family/Medical Leave of Absence, such shall be take concurrently and not consecutively.

Disability Leave of Absence

RSI may grant an unpaid leave of absence for illness or disability. To request a disability leave of absence from his/her supervisor/ manager, employee should submit, or have someone submit on his/her behalf, a statement of ill health or disability from employee's doctor. An approved disability leave may be granted for up to ninety (90) days, subject to medical advisement. If necessary, Employee may request extensions in thirty (30) day increments for a maximum of one (1) year. Whenever possible, employee is required to give as much notice as possible of his/her pending need for a disability leave of absence.

Please Note: Pregnancy is considered the same as an illness or disability for the purposes of this policy.

In the case of pregnancy, please inform the Supervisor/Client Manager as soon as possible of the date employee and his/her doctor anticipate that employee will begin his/her leave.

At the time the disability leave begins, any accrued vacation will be paid, upon employee's request. These benefits do not continue to accrue during a leave of more than thirty (30) calendar days. This policy applies to all employees.

Employees who must remain away from work for more than the period of time allowed above will be considered terminated from employment. They are welcome to re-apply subject to RSI's usual hiring policies.

Employees who develop an illness or physical condition which requires medical treatment or restrictions and precautions as to their health will be required to submit a physician's statement. This statement must give approval that continued full-time employment in their present position will not jeopardize their health or the safety of others, in the event they continue to work. A similar statement is required upon return from a disability leave.

Should your attendance or job performance suffer during the period preceding and/or following a disability leave, RSI will accommodate the employee to the extent provided by law. RSI is under no obligation to reduce or alter employee's work load, or to assign fewer than the usual hours of work.

Election Day

RSI encourages its employees to exercise their voting rights in local, state and federal election. However employee should exercise the right before or after regular working hours. In the event employee takes time off during regular working hours, such time shall be deducted from your paid time off.

Military Leave of Absence

A full time employee inducted into uniformed services (i.e. Army, Navy, Marine Corps., Air Force, Coast Guard, Army Reserve, Navy Reserve, Marine Corps. Reserve, Air Force Reserve, Coast Guard Reserve) for the United State is eligible for re-instatement after completing military service, provided:

- 1. That individual was an employee of RSI immediately proceeding induction into uniformed service;
- 2. Certificate of Completion or Military Service is provided;
- 3. The employee is still qualified to perform the duties of the job; and
- 4. Employee apply's for and is available for re-instatement within a reasonable time after discharge from duty. If returning employee served more than 180 days (6 months), then that employee must reapply within ninety (90) days of completing service. If returing employee served between 31 and 180 days, then that employee must reapply within fourteen (14) days of completing service. If an employe served for 30 days or less, then that employee must report to RSI at the start of he next regularly scheduled regularly scheduled workday following eight hours of returning directly home but has no protected period.

Please provide advance notice of service whenever conditions permit.

Military Reserves or National Guard Leave of Absence

Employees who serve in U. S. military organizations or state militia groups may take the necessary time off without pay to fulfill this obligation, and will retain all of their legal rights for continued employment under existing laws. These employees may apply accrued PTO personal leave and unused earned vacation time for the Military leave if they wish; however, they are required to do so.

Employee is expected to notify his/her manager as soon as employee is aware of the dates employee will be on duty so that arrangements can be made for replacement during this absence.

Insurance Coverage

Group Insurance (Medical/Dental)

RSI has a competitive health care program. Coverage begins the first of the month following one full month of employment, subject to the terms and conditions of his/her offer letter/employment contract. RSI contributes towards the salaried employees medical and dental coverage, but not the his/her dependent(s). Employee contributes towards his/her own coverage and is responsible for all premiums for his/her dependant(s) coverage. Hourly paid employee's are responsible for all medical and dental premiums for the employee and his/her eligible dependants. The employee may choose to accept or decline the insurance coverage within fourteen (14) days of beginning employment.

Please note that the contribution to Health Insurance Premiums are dictated by the terms of the employee's offer letter/employment contract.

The following benefits are available:

- * Dental Coverage
- * Medical Coverage
- * Dependents' Medical and Dental Coverages

Coverage is defined and limited to the literature provided by RSI's insurance carriers. If/when employee chooses insurance coverage, RSI's insurance carrier provides a booklet describing the benefits; a copy of this will be sent to your home by the insurance carrier.

In the event of your termination of employment with RSI or loss of eligibility to remain covered under its group health insurance program, employee and his/her eligible dependents may have the right to continue coverage under the health insurance program for a limited period of time, under COBRA, at employee's own expense. Please contact the Human Resource Department for details.

Disability Insurance

If employee is a regular full-time employee of RSI, he/she is protected through a short-term disability insurance policy from financial hardship if employee becomes disabled because of illness or accident that is not job related. Applicability is subject to State requirements.

Disability means that employee cannot perform any position that RSI has available, that he/she is qualified for and normally able to perform. Workers' Compensation benefits protect employee if he/she is involved in a job-related sickness or accident.

Termination of Insurance

Employee's insurance will terminate upon the happening of one of the following events:

- 1. The insurance policy terminates;
- 2. Employee ceases to be eligible for coverage under the terms of RSI's group insurance program;
- 3. Employee ceases to be employed as a regular full-time employee eligible for the insurance; or
- 4. Employee receives an extended Leave of Absence.

Workers' Compensation

The Workers' Compensation Law is designed to provide the employee with benefits for any injury which may be in connection with his/her employment. Under the provisions of the law, if employee is injured while at work, he/she is eligible to apply for Workers' Compensation.

How Do I Get the Benefits?

All injuries, no matter how slight, must be reported immediately to the employee's Supervisor/Client Manager and RSI's HR Department. RSI will see that employee receive's medical attention.

Employee may be required to furnish RSI with written statements regarding the on-the-job accident so that RSI may accurately document the incident, and the employee may receive all the benefits to which he/she is entitled. Failure to do this could result in loss of benefits.

Employees returning to work after being absent due to an injury must report to his/her manager prior to beginning work, and must bring a doctor's clearance for returning to duty.

Profit Sharing & Retirement

401K Plan

RSI has a 401K Plan. Employees must be at least 21 years of age and will become eligible after satisfying the plan's waiting period. Employee's contributions are made each payroll period by a salary reduction.

RSI reserves the right to amend, modify, discontinue or terminate the plan at such time as in its discretion may be deemed appropriate, without prior notice to any employee, retiree or beneficiary, subject to the provisions of applicable laws.

Employer Matching Contributions

Employee must be at least 21 years of age to receive employer matching contributions under this plan. RSI shall match eligible employee contribution, one (1) year after employee has begun to contribute to the 401K Plan. Currently RSI matches employee deferrals at a rate of twenty-five (25%) of the 1st four (4) percent that employee defers.

How Much Employee Can Contribute:

Employee may contribute any amount from either a flat whole dollars or whole percentages (1% to 100%) of his/her compensation each pay period provided employee does not contribute more than the maximum permitted under ERISA.

401K Plan Details

The details regarding RSI and employee contributions, vesting, administration, investments, etc. are available online. Please contact RSI HR Department for more information.

Statement Of Employee Retirement Income Security Act (ERISA) Rights. As a participant in the RSI Employees' Retirement Plan, Employee are entitled to examine the Plan documents and the annual report and plan description filed with the U.S. Department of Labor. This inspection may be made during normal business hours.

IV. Other Policies

Communications

Dress Code/Personal Appearance

Employee Referral/Recruitment Bonus

Exit Interviews

Expense Reimbursement

Open Door Policies

References

Resignation

Smoking

Violations of Policies

Other Policies

Communications

Successful working conditions and relationships depend upon successful communication. Not only does the employee need to stay aware of changes in procedures, policies and general information, employee also needs to communicate his/her ideas, suggestions, personal goals or problems as they affect his/her work. Employee should notify the applicable RSI Departments (HR and/or Accounting - Payroll) of any changes to their information, including but not limited to marital status, name change, address change, dependant information, phone number, email address, and worksite location contact information.

Employee will receive other information booklets, such as your insurance booklets, from time to time. It is the employee's responsibility to ensure that he/she is familiar with the content.

In addition, employee may receive memorandums and/or letters from RSI. There is no regular schedule for distribution of this information. The function of each letter is to provide employee and his/her family with news and helpful information which will keep employee up-to-date on the events here at RSI. Please refer to the employee's section of the RSI website for updates.

Dress Code/Personal Appearance

Employee's dress should be neat in appearance and in a manner consistent with a professional atmosphere. Good individual judgment is the best guideline. When working at a customer's site, please observe what the customer is wearing and dress appropriately.

Employee Referral/Recruitment Bonus

Open positions are posted on RSI's website. Employees are encouraged to recommend and refer qualified candidates for employment with RSI. If employee knows of someone who would like to work at RSI please forward their information to the Recruiting Department. Additionally, the referred candidate should mentions the referring employee's name when contacting RSI.

Should your candidate be hired by RSI to a full-time position, and that person satisfactorily completes three (3) months of employment, employee will receive a bonus for referral. This bonus entitlement does not apply to individuals who are normally responsible for the recruiting and hiring functions, nor to corporate executives.

Exit Interviews

In instances where an employee voluntarily leaves our employ, RSI management would like to discuss your reasons for leaving and any other impressions that employee may have about RSI. If employee decides to leave, he/she may be asked to participate in an exit interview. During the exit interview,

employee can express himself/herself freely. The exercise will assist us in providing insights into possible improvements RSI can make. All information will be kept strictly confidential.

Expense Reimbursement

Employee must have his/her manager's written authorization (requisition/purchase order, etc.) prior to incurring an expense on behalf of RSI. To be reimbursed for all authorized expenses, employee must submit an expense report/voucher accompanied by receipts and approved by his/her manager. Please submit the expense report/voucher each week, as employee incurs authorized reimbursable expenses.

If employee is asked to conduct company business using his/her personal vehicle, employee will be reimbursed at the corporate mileage rate. Inquiries should be addressed to the Accounting Department – Payroll Administrator. Please submit this expense on the weekly expense report/voucher.

Open Door Policy

RSI has a policy of encouraging open dialogue between its employees and Management. RSI's goal is to maintain a comfortable working environment for everybody. We do this in several ways:

- * By treating each employee as an individual and encouraging your maximum development;
- * By recognizing that each employee is essential to the success and growth of RSI; and
- * By maintaining direct communications with all of RSI's employees and ensuring that each and every Employee can speak directly and openly with our management team.

RSI is committed to ensuring that this open dialogue policy continues to grow with the Company's growth.

References

RSI does not respond to oral requests for references. All requests must be in writing. In the event employee leaves the employ of RSI, RSI may be able to provide references to potential employers, depending upon the circumstances, your employment history, etc. However, employee must first sign a "reference release" waiver, allowing us to release reference information beyond merely confirming that employee worked at RSI for a specific period of time and your position.

As an employee, do not under any circumstances respond to any requests for information regarding another employee unless it is part of your assigned job responsibilities. If it is not, and employee receive's a request for a reference, employee should forward the request to the appropriate department.

Resignation

In the event employee intends to resign, please refer to your offer letter/employment contract for the applicable notice period.

Smoking

Please don't smoke in the building. Please use designated smoking areas.

Please remember to conform to the work-sites's smoking policies when working at a client site.

Violations of Policies

Employee is expected to abide by the policies in this Handbook. Failure to do so will lead to appropriate disciplinary action. A written record of all policy violations may be maintained in each individual's personnel file.

A partial list of causes for possible disciplinary action ("Unacceptable Activities") is presented under "Standards of Conduct" in the "Employment" section of this Handbook. This list is not to be considered all-inclusive.