

Targetti USA Workplace Guidelines

PURPOSE

The purpose of these guidelines is to familiarize Targetti USA employees with the policies, rules and other key aspects of the company. The information in this revised version supersedes all rules and policies that may previously have been expressed or implied, in both written and oral format. The Company reserves the right to interpret this handbook's content as it sees fit, and to deviate from policy when it deems necessary.

PERSONAL APPEARANCE

Dress Code for Office Employees – Business Casual

Business casual is a style of clothing that is less formal than traditional business wear but is still intended to give a professional and businesslike impression. Appropriate business casual dress includes slacks or khakis, dress shirt or blouse, open-collar or polo shirt, optional tie or seasonal sport coat, a dress or skirt at knee-length or below, a tailored blazer, knit shirt or sweater, and loafers or dress shoes that cover all or most of the foot.

Dress Code for Warehouse Employees - Casual

Casual dress code means that employees are permitted to dress in comfortable, informal clothing, while still looking well-groomed and professional. Employees are expected to wear clothing that is in good condition, attractive, and appropriate for work. A casual shirt or jacket paired with jeans, is a staple outfit in a casual work environment. Close toed shoes are required when in the warehouse.

REPORTING FOR WORK, ABSENTEEISM AND TARDINESS

Employees are expected to begin and end each shift at the time and on the day appointed. If you are going to be more than a few minutes late or absent from work for any reason, you must personally notify your supervisor as far in advance as possible so that proper arrangements can be made to handle your work during your absence. If you must leave work early, you are to contact your supervisor and obtain permission. When absence is due to illness, the company may require appropriate medical documentation. Failing to call one's supervisor or report to work for three consecutive workdays may be considered voluntary resignation, and result in removal from payroll.

BREAKS AND MEAL PERIODS

Unless defined otherwise by California state law, employees are **entitled** to a paid 10-minute break for every four hours of work. The Company generally will not authorize a rest period for employees whose total daily work time is less than three and one-half (3 ½) hours.

An **optional** unpaid 30-minute meal break may be taken for any shift lasting longer than five hours **but less than 6** hours. It is **required** that you take a **30-minute** unpaid lunch break if your shift will be 6 or more hours.

Should an employee work 12 or more hours, in any given day, an **optional** second uninterrupted unpaid 30-minute break may be taken. The **second** meal period may be waived by mutual consent of the employer and employee.

Non-exempt employees **must record the beginning and ending time of their unpaid 30-minute meal period** in the timekeeping system every day. Failure to punch out and in for your 30-minute unpaid break will be considered a disciplinary matter, as this is company policy.

OVERTIME

Overtime must be pre-approved by your manager prior to being incurred. Not acquiring approval before incurring overtime is against company policy and will result in disciplinary action.

SMOKING

Smoking, including the use of electronic smoking devices, hookahs, and marijuana, shall not be permitted in any enclosed company facility. Smoking shall also not be permitted within 25 feet of outside entrances, operable windows, and ventilation systems of enclosed facilities where smoking is prohibited or anywhere on the grounds of company facilities, including parking lots. This policy applies to all employees, clients, contractors, and visitors.

VIDEO SURVEILLANCE

Targetti has implemented video surveillance in the workplace as an effective tool to ensure the safety of our employees, customers, and company property. Cameras used for surveillance will be clearly visible in the place where the surveillance is taking place. Currently surveillance cameras are installed in the showroom and on the outside of the main office entrance.

DRUGS AND ALCOHOL

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees must, however, consult with their doctors about the medications' effect on their fitness for duty and ability to work safely, and they must promptly disclose any work restrictions to their supervisor.

Whenever employees are working, are operating any company vehicle, are present on company premises or are conducting company-related work offsite, they are prohibited from:

- Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of drug paraphernalia).
- Being under the influence of alcohol or an illegal drug as defined in this policy.
- Possessing or consuming alcohol.

The presence of any detectable amount of any illegal drug, illegal controlled substance or alcohol in an employee's body system, while performing company business or while in a company facility, is prohibited. Targetti will also not allow employees to perform their duties while taking prescribed drugs that are adversely affecting their ability to safely and effectively perform their job duties.

DRUG TESTING

Employees are subject to **reasonable suspicion testing**, also known as for cause drug testing, when management has evidence or reasonable cause to suspect an employee of workplace drug use, possession or impairment.

Management will use the Reasonable Suspicion Observation Checklist to document specific observations and behaviors that create a reasonable suspicion that an employee is under the influence of illegal drugs or alcohol. Examples include:

- Odors (smell of alcohol, body odor or urine)
- Movements (unsteady, fidgety, dizzy)
- Eyes (dilated, constricted or watery eyes, or involuntary eye movements)
- Face (flushed, sweating, confused or blank look)
- Speech (slurred, slow, distracted mid-thought, inability to verbalize thoughts)
- Emotions (argumentative, agitated, irritable, drowsy)
- Actions (yawning, twitching)
- Inactions (sleeping, unconscious, no reaction to questions).

When reasonable suspicion testing is warranted, both management and HR will meet with the employee to explain the observations and the requirement to undergo a drug and/or alcohol test within two hours. Refusal by an employee will be treated as a positive drug test result and will result in immediate termination of employment.

Under no circumstances will the employee be allowed to drive himself or herself to the testing facility. A member of management will arrange for a cab and arrange for the employee to be transported home.

EQUAL OPPORTUNITY EMPLOYMENT POLICY

The Company provides equal employment opportunities to all applicants, without regard to unlawful considerations of or discrimination against race, religion, creed, color, nationality, sex, sexual orientation, gender identity, age, ancestry, physical or mental disability, medical condition or characteristics, marital status, or any other classification prohibited by applicable local, state or federal laws.

This policy is applicable to hiring, termination and promotion; compensation; schedules and job assignments; discipline; training; working conditions, and all other aspects of employment. As an employee, you are expected to honor this policy and to take an active role in keeping harassment and discrimination out of the workplace.

POLICY AGAINST UNLAWFUL HARASSMENT, DISCRIMINATION AND RETAILATION

The Company is committed to providing a work environment that is free of unlawful harassment, discrimination, and retaliation. In furtherance of this commitment, we strictly prohibit all forms of unlawful harassment and discrimination, which includes harassment or discrimination on the basis of race, religion, color, sex (including breast feeding and related medical conditions), gender identity and expression, sexual orientation, national origin, ancestry, citizenship status, uniform service member and veteran status, marital status, pregnancy, age, protected medical condition, genetic information, disability or any other category protected by applicable federal, state, or local law.

This policy against unlawful harassment, discrimination, and retaliation applies to all employees, including supervisors and managers, as well as to all unpaid interns and volunteers, if any. We prohibit managers, supervisors and employees from harassing co-workers as well as our customers, vendors, suppliers, independent contractors and others doing business with the Company.

Employees are to report alleged harassment to their manager or Human Resources. Supervisors/Managers are required to immediately address any types of harassment complaint and report it to Human Resources. Instances of harassment will be investigated by Human Resources even if no formal complaint is filed. It is every employee's responsibility to cooperate with an investigation. Disclosure of information about any/all complaints will be limited to those with legitimate involvement. However, absolute confidentiality is not guaranteed.

Employees are protected from retaliation if they file a complaint or participate in an investigation.

Any such harassment or retaliation will subject an employee to disciplinary action, up to and including immediate termination. The Company likewise prohibits its customers, vendors, suppliers, independent contractors and others doing business with the Company from harassing our employees.

ACCOMMODATION FOR DISABLED EMPLOYEES

We are happy to work with otherwise qualified disabled employees in order to accommodate limitations, in accordance with the Americans with Disabilities Act (ADA). It is up to the employee to approach his or her supervisor with this request, and to provide medical proof of his or her needs upon the Company's request. We are also happy to accommodate employees diagnosed with life-threatening illnesses. Such employees are welcome to maintain a normal work schedule if they so desire, provided that we receive medical papers proving their working cannot harm themselves or others and their work remains at acceptable standards.

CELL PHONES

- Cell phones should be limited to breaks and meal periods, unless cell phone is used to make business calls
- Cell phones should be kept on vibrate
- Cell phones should only be used to check important messages or for brief important calls
- If cell phone use is necessary, find a private place to make/take the call away from the working space of colleagues

Employees may not use their cell phones for:

- Non-emergency text and phone calls
- Playing games
- Online activities such as Facebook, Twitter etc.
- Streaming services; movies, videos, sports, etc.
- Taking photos or videos
- For downloading or uploading inappropriate, illegal or obscene material using a corporate internet connection.
- While operating a company motor vehicle unless an approved Hands-free kit has been installed.

Our company retains the right to monitor employees for excessive or inappropriate use of their cell phones. If infractions are observed they will be documented and reviewed with employees and if continued improper phone usage causes a decline in productivity or interferes with our operations, cell phones will be banned from the workplace and you will only be able to use them before & after work and during breaks.

OFFICE ETIQUETTE

Office etiquette is important because it creates a professional, mutually respectful atmosphere and improves communication, which helps the office serve as a productive place.

Do:

- Maintain noise to a minimum
- Show respect towards all co-workers and their belongings
- Show integrity and professionalism in the workplace
- Clean the area(s) you dirty, including dishes used
- Keep your desk organized and work area tidy
- Be on time to work and all meetings
- Use company property for business use only; limited personal use as necessary is allowable

Do not:

- Use any abusive, rude or profane language at work
- Bring your emotions into the office
- Be afraid to ask questions
- Listen to the radio or stream music in the office
- Do not microwave foods that produce strong smells in the office

COMMUNICATION OF A PROBLEM

If you have a concern, it can usually be resolved by following these steps:

1. Any concern should first be discussed with your immediate supervisor as soon as possible. Your immediate supervisor is the person responsible for what goes on in your immediate work area and may be in the best position to help you.
2. If you prefer not to speak with your immediate supervisor, or you feel that your immediate supervisor cannot, or has not, satisfactorily resolved the problem, you should contact the Company's HR Contact.
3. If Steps 1 and 2 are not effective, or if at any time you need to speak to someone other than fore-mentioned individuals, please speak with the company's CEO.

The Company takes all concerns and problems that are brought to its attention seriously. We will work to address your concern or resolve your problem as soon as possible under the circumstances. You are encouraged to utilize this procedure without fear of reprisal.

DISCIPLINARY ACTION

The Company takes disciplinary matters very seriously and will exact discipline as it sees fit for any unacceptable action or behavior. These may include:

- Excessive lateness and/or absence
- Improper or indecent conduct; this includes engaging in rude, disrespectful speech or behaviors and physical intimidation, such as making insulting and demeaning statements; using angry, hostile tones; berating staff and colleagues in front of others; and shouting, throwing things or slamming doors when displeased
- Insubordination/Uncooperative attitude; Insubordination refers to an employee's intentional refusal to obey an employer's lawful and reasonable orders
- Abuse, perfunctory or unauthorized use, or unauthorized possession of Company property
- Unauthorized use or disclosure of Company information
- Possession and/or use of illegal drugs, weapons or explosives
- Illegal harassment and/or discrimination - of **any kind**
- Removing company property/materials from the Showroom Displays and/or from any Company Premises without prior written consent

Disciplinary action may consist of anything from a verbal or written warning of violation(s), an employee review and the implementation of a performance improvement plan to demotion, transfer, suspension or termination. The Company will handle each matter individually to ensure fairness to all involved.

AT-WILL EMPLOYMENT

Your employment with Targetti USA is at will. This means your employment is for an indefinite period of time and it is subject to termination by you or Targetti, with or without cause, with or without notice, and at any time. Nothing in this policy or any other policy of Targetti shall be interpreted to be in conflict with or to eliminate or modify in any way, the at-will employment status of Targetti's employees.

Please review and familiarize yourself with these guidelines, and make an effort to use good judgments at all time. *These guidelines are intended to serve as a guide to matters of significance within the workplace, rather than an exhaustive description of every company practice, procedure, or rule. Targetti reserves the right to change these guidelines and policies, at any time and at our sole discretion. Further, the forementioned standards of conduct are only intended to provide examples of the types of behavior considered to be appropriate or inappropriate. You will receive written notice of any changes we make to the employee guidelines and policies and are responsible for understanding and complying with all up-to-date policies. If you are confused about any information defined herein, please contact Human Resources.*