



RTK RESORT GROUP, LLC

*Guide for Employees
and
Independent Contractors*

July 2006

Guide for Employees and Independent Contractors



Welcome!

Welcome to our growing family at **RTK Resort Group**! We are proud to have you as a member of our resort team along with the Raba Family of Companies, including RTK Development, Raba Design Group, Piazza San Lorenzo Ltd, and Condos at San Lorenzo. You are part of a dynamic and talented group of people that make up our company.

The purpose of this Guide is to acquaint you with the various policies and procedures of **RTK Resort Group (RTK)**, its affiliated companies and its affiliated resort properties. It will also provide you with an overview of the benefits currently available to you as a RTK Employee or as an Independent Contractor, whichever may be your status. For specific application, please refer to your employment agreement or Independent Contractor agreement for details relating to your individual status and terms for your retention. If policies or terms appear to conflict, the terms in your agreement take precedence over the general guidelines herein.

Please read the entire content of this Guide at your earliest convenience. If you have any questions or comments regarding this Guide, please discuss them with your supervisor immediately.

At RTK Resort Group, we have three goals: first, to create memorable, quality lifestyle experiences with superior hospitality services, exceeding the expectations of our members, owners and their guests; second, to take an active part in the local community where we operate, and to give back to that community; and third, to provide an atmosphere in which our team members can excel and grow, both personally and professionally.

Should you ever have questions or issues that you may care to discuss with me personally, please do not hesitate to contact me.

Again, welcome aboard. We look forward to working with you as RTK Resort Group continues to grow. We are excited to have you on our team.

Very truly,

RTK Resort Group, LLC

A handwritten signature in black ink, appearing to read 'John R. Kazanjian', with a long horizontal flourish extending to the right.

John R. Kazanjian
Managing Director

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Guide for Employees and Independent Contractors**SECTION I. INTRODUCTORY POLICIES**

The terms “**RTK Resort Group**” and “**RTK**” denote our company RTK Resort Group, our parent company RTK Development Inc., its subsidiaries and affiliates. The terms are used interchangeably throughout this guide. This manual is the property of RTK Resort Group.

A. INTRODUCTION and APPLICATION

This ***Guide for RTK Resort Group Employees and Independent Contractors*** is intended to explain the terms and conditions of employment of all full and part time Employees, including but not limited to those who are not in management, as well as those who hold positions in management as Supervisors, Department Directors and/or Officers of RTK Resort Group. It is also intended to serve as a guide for those Independent Contractors while on assignments for RTK Resort Group, its RTK Affiliates or its subsidiaries.

Specifically excluded Employees are not covered by the terms of this Guide. However, Employees or Independent Contractors who have entered into separate written contracts with RTK are covered by this Guide to the extent the Guide does not contradict the written contracts or agreements. This manual does not exhaust all the possibilities of various circumstances; therefore, certain instances may arise which will require individual action.

This Guide summarizes the policies and practices in effect at the time of publication. All previously issued Guides and any inconsistent policy or benefit statements or memoranda are superseded. Employees should maintain this manual as a constant reference in dealing with various circumstances encountered daily. As changes are made, supplemental and/or replacement pages will be supplied and inserted in their proper locations.

Employee suggestions and questions regarding these policies are encouraged. Please address any such communications to the Managing Director. Your Supervisor or the Department Director will be happy to answer any questions you may have.

B. EQUAL EMPLOYMENT OPPORTUNITY

RTK Resort Group is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available personnel in every job. RTK policy prohibits unlawful discrimination based on race, color, creed, gender, religion, marital status, age, national origin or ancestry, physical or mental disability, and medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state or local laws. Discrimination is also prohibited against anyone perceived as having any of those characteristics, or is associated with a person who has, or is perceived as having any of those characteristics. All such discrimination is unlawful.

RTK Resort Group is committed to complying with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the operation of RTK and prohibits unlawful discrimination by an Employee or Independent Contractor of RTK, including Officers, Directors, Managers, Supervisors and co-workers.

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To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, RTK will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an Employee unless undue hardship would result.

Any applicant or Employee who requires an accommodation in order to perform the essential functions of the job should contact an RTK representative who has day to day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. RTK then will conduct an investigation to identify the barriers that may interfere with the equal job opportunity of the applicant or Employee to perform his or her job. RTK will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, RTK will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, provide a written complaint to your Supervisor or the individual with day to day personnel responsibilities. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses.

RTK will immediately undertake an effective, thorough and objective investigation and attempt to resolve the situation. If RTK determines unlawful discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action will also be taken to deter any future discrimination. RTK will not retaliate against you for filing a complaint and will not knowingly permit retaliation by management Employees or your co-workers.

C. STATEMENT OF AT WILL EMPLOYMENT STATUS

RTK Resort Group personnel are employed on an *At Will* basis. Employment *At Will* may be terminated with or without cause and with or without notice at any time by you or RTK. Nothing in this Guide or in any document or statement will limit the right to terminate employment *At Will*. No Manager, Supervisor or Employee of RTK has any authority to enter into any agreement for employment for any specified period of time or to make any agreement for employment other than *At Will*. Only the Managing Director of RTK Resort Group has the authority to make any such agreement and then only in writing.

D. THE RIGHT TO REVISE CLAUSE

This Guide contains the employment policies and practices of RTK in effect at the time of publication. All previously issued Guides and any inconsistent policy statements or memoranda are superseded.

RTK Resort Group reserves the right to revise, modify, delete or add to any and all policies, procedures, work rules or benefits stated in this Guide or in any other document, except for the policy of *At Will* employment. However, any such changes must be in writing and must be signed by the Managing Director of RTK Resort Group.

Any written changes to this Guide will be distributed to all Employees and Independent Contractors so they will be aware of the new policies or procedures. No oral statements or representations can, in any way, change or alter the provisions of this Guide.

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This Guide and your employment agreement or your Independent Contractor agreement constitutes the entire agreement between you and RTK Resort Group as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this Guide, or any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any Employee or continued appointment of any Independent Contractor.

E. UNLAWFUL HARASSMENT

RTK Resort Group is committed to providing a work environment free of unlawful harassment. RTK policy prohibits sexual harassment and harassment based on pregnancy, childbirth, or related medical conditions, race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other basis protected by federal, state or local law or ordinance or regulation.

The law also prohibits harassment against anyone who is perceived as having any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics. All such harassment is unlawful. RTK anti-harassment policy applies to all persons involved in the operation of RTK and prohibits unlawful harassment by any Employee or Independent Contractor of RTK, including co-workers, Supervisors, Department Directors and/or Officers of RTK.

Prohibited unlawful harassment includes, but is not limited to, the following behavior:

1. Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
2. Visual displays such as derogatory and/or sexually oriented posters, photography, cartoons, drawings or gestures;
3. Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work because of sex, race or any other protected basis;
4. Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors; and;
5. Retaliation for having reported or threatened to report harassment.

If you believe that you have been unlawfully harassed, provide a written complaint to your own or any other RTK Supervisor, the Department Director, or the Managing Director of RTK Resort Group as soon as possible after the incident. If a supervisor perpetrates the harassment, the complaint need not be filed with the offending supervisor, but may be forwarded directly to the Department Director or the Managing Director.

Your complaint should include details of the incident or incidents, names of the individuals involved and names of any witnesses. All harassment complaints will be forwarded to the Managing Director of RTK. RTK will immediately undertake effective, thorough and objective investigation of the harassment allegations.

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Every reported complaint of harassment will be investigated thoroughly and promptly. The matter will be treated in as confidential a manner as is possible under applicable laws. You should know, however, that in order to conduct an effective investigation certain information regarding the claim will be conveyed and/or otherwise communicated in the process of interviewing the alleged harasser and/or potential witnesses. All interviews in connection with any harassment claim will be conducted in private. RTK will not tolerate harassment or retaliation against any individual who either makes a claim and/or who cooperates in the investigation of a claim.

If RTK determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any Employee or Independent Contractor determined by RTK to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including termination. An RTK representative will advise all parties concerned of the results of the investigation. RTK will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, Employees or co-workers.

With regard to acts of harassment by Independent Contractors, customers and suppliers, corrective action will be taken after consultation with appropriate management personnel.

RTK Resort Group encourages you to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved.

Prohibited harassment specified above is illegal in all its forms, including harassment in retaliation for opposing sexual harassment or participating in an investigation. In addition to notifying RTK about harassment or retaliation complaints, affected Employees may also direct their complaints to the Federal Equal Employment Opportunity Commission ("EEOC"), which have authority to conduct investigations of the facts. The deadline for filing complaints with the EEOC is generally 300 days after the alleged wrongful act occurred. (This period begins to run from the date of the act, not from the date the investigation is completed.)

Both the FEHC and the courts have authority to award monetary and non monetary relief in meritorious cases. You can contact the FEHC at the locations listed in the local telephone directory.

You should also be aware that the Federal Equal Employment Opportunity Commission investigates and prosecutes complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed in the telephone book.

*Guide for Employees and Independent Contractors***SECTION II. EMPLOYMENT POLICIES AND PRACTICES****A. NEW HIRES**

The first ninety (90) days of continuous employment at RTK is considered a trial period. During this time you will learn your responsibilities, get acquainted with fellow Employees and determine whether you are happy with your job. Also, during this time, your Supervisor will closely monitor your performance.

Upon completion of the trial period, RTK will review your performance with you. If RTK finds your performance satisfactory and decides to continue your employment, it will advise you of any improvements expected from you. At this time, you may express suggestions to improve RTK efficiency and operations.

Completion of the trial period does not entitle you to remain employed by RTK for any definite period of time. Both you and RTK are free, at any time, with or without notice and with or without cause, to end the employment relationship and your compensation. After completion of the trial period, you may be eligible to receive some of the benefits described in this Guide. (Some benefits are offered after six months or one year of employment; consult with your Supervisor or Department Director with regard to any specific questions you might have regarding your entitlement to benefits.)

B. REGULAR EMPLOYEES

Regular Employees are those who are hired to work on a regular schedule. Regular Employees may be classified as fulltime or part time.

C. FULL TIME EMPLOYEES

Full time Employees are those normally scheduled to work and who do work a schedule of 40 hours per week.

Hourly Rate Employees: Hourly-rate Employees shall be compensated at rate within the pay scale established by the officers of RTK based on a forty (40) hour work week. No Employee shall be compensated at an hourly rate either lower than, or in excess of, the rate established for their classification. Compensation is payable bi-weekly or as otherwise established by RTK.

Salaried Employees: An hourly Employee, upon demonstration of exceptional contribution to RTK, may be invited to become salaried at any time. Salaried Employees shall receive fixed compensation for their services based on a forty-four (44) hour work week. Compensation is payable to the Employee bi-weekly or as otherwise established by RTK. Salaried Employees are expected to work hours as required, without any additional compensation, to accomplish assigned tasks. Salaried Employees shall be eligible to receive, as appropriate, bonuses as established by the Managing Director.

Associates: A salaried Employee, upon their demonstration of professionalism, leadership and contribution to RTK, may be invited to become an associate of RTK with responsibilities and

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benefits additional to the salaried Employee. When an Employee attains the status of associate, professional association dues and licensing fees shall be paid for by RTK.

D. PART TIME EMPLOYEES

Part time Employees are those who are normally scheduled to work and who do work less than 40 hours per week. Part-time Employees may be assigned a work schedule in advance or may work on an as needed basis.

E. NON-EXEMPT EMPLOYEES

Non-exempt Employees are not exempt from the overtime provisions of the Fair Labor Standard Act (those Employees who receive overtime pay for overtime work).

F. EXEMPT EMPLOYEES

Exempt Employees are exempt from the Fair Labor Standards Act (those administrative, executive, or professional Employees who do not receive overtime pay for overtime work).

G. TEMPORARY EMPLOYEES

Temporary Employees are those employed for short term assignments. Short term assignments will generally be periods of ninety days or less, however, such assignments may be extended. Temporary Employees are not eligible for Employee benefits except where mandated by applicable law.

H. JOB DUTIES

During the trial period, your Supervisor will explain your job responsibilities and the performance standards expected of you. Your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects or to assist with other work necessary or important to the operation and success of your department or RTK. Your cooperation and assistance in performing such additional work is expected and greatly appreciated.

RTK Resort Group reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, assign additional job responsibilities, or eliminate positions.

*Guide for Employees and Independent Contractors***SECTION III. WORK SCHEDULES AND PAYMENT****A. WORK SCHEDULES and NOTICES**

Time schedules will be established by management based on a 40-hour work week for hourly Employees and 44 hours a week for salaried Employees. An Employee's normal work day starts when he/she reports to the office or to the project site as directed.

Regular office hours are from eight-thirty a.m. until five-thirty p.m. (8:30 a.m. - 5:30p.m.). This applies to both hourly Employees as well as salaried Employees. Sales and Marketing department hours shall be as established by the EVP of Marketing & Sales or the resort project director.

Supervisors may make job assignments that vary the working hours. Your Supervisor will assign your individual work schedule. All personnel are expected to be at their designated meeting locations, desks or workstations at the start of their scheduled shifts, ready to perform their work.

Special notices and information for Employees and Independent Contractors will be posted on the Employee bulletin boards. Important announcements concerning company policy, organization and procedures, vacation schedules and other special items of interest will be posted. It is to your advantage to view the bulletin board regularly.

B. MEAL AND REST PERIODS**Full time Employees:**

Employees are provided lunch periods and breaks as required by law. Also, Employees are provided a ten minute rest period for each four hour period of work or major portion thereof. Lunch periods are for a period of 45 minutes in duration. Check with your Supervisor to schedule your meal and rest periods.

Part time Employees:

Part time Employees are provided with a one half (1/2) hour lunch for every five (5) hours or more of work. If six (6) hours of work will complete the day's work, an Employee may voluntarily elect to forego the meal period. An Employee wishing to forego his or her meal period must advise his or her Supervisor in writing.

All Employees are provided with a ten minute rest period for every four hours of work. Check with your Supervisor to schedule your meal and rest periods.

Obligation Associated with Meal Periods and Break Periods:

All Employees are expected to observe their assigned working hours and the time allowed for meal and rest periods. Do not leave the premises during your rest period and do not take more than ten minutes for each rest period. You may leave the premises during your meal period.

Visitors to the Office:

Friends or family visitors may be visited within the reception area or conference rooms when available. Check with your Supervisor to determine a suitable location.

Guide for Employees and Independent Contractors**C. TIMEKEEPING REQUIREMENTS**

All non exempt Employees are required to record actual hours worked on a time clock or a time card/ sheet for payroll purposes. Employees must record their own time at the start and at the end of each work period, including before and after the lunch break.

Time sheets should also show the name of the job, the type of the work that has been performed and the amount of the time spent on each assignment. Any overtime worked must be authorized in advance by the supervisor. Any absence for any reason must be noted on the daily time sheet.

Non-exempt Employees also must record their time whenever they leave the building for any reason other than RTK business. Any handwritten marks or changes on the time card must be initialed by a Supervisor. Punching another Employee's time card, allowing another Employee to punch your time card, or altering a time card is not permissible and is subject to disciplinary action. If the time card is not punched, the hours paid will be equal to the shift hours scheduled, with prior approval of your Supervisor.

Any errors on your time card should be reported immediately to your Supervisor. These time sheets shall be turned in as directed to the Employee's immediate supervisor. All timesheets must be approved and so noted by the supervisor, who will submit them to the office manager.

Employees and Independent Contractors who are on an hourly billing basis will submit an invoice itemizing hours and pre-approved expenses for reimbursement to RTK on the 15th and 30th/31st of each month.

D. PAYMENT OF WAGES

Paydays are made by RTK to Employees and Contractors on the 1st and 15th of each month, unless otherwise stated in the Independent Contractor agreement executed. Earnings are paid in arrears. If a regular payday falls on a weekend or holiday, you will be paid on the nearest workday (i.e. if payday falls on Saturday, you will be paid on Friday or if payday falls on Sunday you will be paid on Monday).

Paychecks will be presented only to the named Employee. Requests for special handling of your check in certain cases must be arranged in advance with your Supervisor or the Payroll Manager and checks will be issued only with proper identification. If there is an error on your check, please report it immediately to your Supervisor.

E. OVERTIME

Employees may be required to work overtime. Only actual hours worked in a given workweek can apply in calculating overtime. Hourly Employees may not work more than 40-hours in any given weekly pay period. All overtime work must be previously authorized by a Supervisor. Working unauthorized overtime may result in discipline, up to and including termination. RTK provides compensation for all overtime hours worked by non exempt Employees in accordance with state and federal law as follows:

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All hours worked in excess of 40 hours in any one workweek shall be compensated at the rate of no less than one and one half times the regular rate of pay. A workday begins at 12:01 a.m. and ends 24 hours later. A workweek begins each Sunday at 12:01 a.m.

Alternative workweek schedules:

RTK Resort Group does not provide for alternative workweek schedules.

Exempt Employees:

Exempt Employees may have to work hours beyond their normal schedules, as work demands require. No overtime compensation will be paid to exempt Employees.

Exempt Employees will receive their salary for any week in which an Employee performs any work. For purposes of this salary pay policy, a week is Sunday 12:01 a.m. through Saturday midnight. An exempt Employee will receive his/her full salary for any week in which an Employee does any work, subject to the following rules.

An exempt Employee's salary may be reduced for complete days of absence due to vacations, sick leave, holiday or personal business, before these benefits accrue or after they are exhausted, and for incomplete initial and final weeks of work. An exempt Employee's salary will not be reduced due to partial weeks of work due to service as a juror, witness, or in the military, or for lack of work.

This salary pay policy is intended to comply with the salary pay requirements of the Fair Labor Standards Act and shall be construed in accordance with the Act. You are encouraged to bring any question concerning your salary pay to your Supervisor so that any inadvertent error can be corrected.

F. ADVANCES

RTK Resort Group does not permit advances against paychecks or against vacation time.

E. EXPENSES INCURRED ON AUTHORIZED COMPANY BUSINESS

When incurring expenses on company business it is expected that Employees and Independent Contractors will live normally and handle company funds as prudently as their own.

Expenses incurred by Employees for authorized company mileage and miscellaneous expenditures such as parking shall be recorded on a monthly expense voucher form and turned in with original receipts to their supervisor at the end of each month.

Transportation: When at all possible, the RTK business/ travel office shall make all travel arrangements. When a situation does not permit this, personnel shall then select the most economical means of transportation after taking into consideration such pertinent factors as time schedules, distance and number in the party.

Airfares: Economy accommodations are to be used when traveling by air. Business class and First class flights may be used only when appropriate economy accommodations are not available, or in the case of international travel.

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Autos: When the most practical and economical means of travel is by personal car, reimbursement will be made using the current allowance per mile. Auto rental is authorized in situations where personal auto or commercial transportation is not economical or available. Airport shuttle service or hotel courtesy shuttles/ cars shall be used when practical.

Lodging and meals: All lodging arrangements will be made by the RTK business/ travel office when at all possible. When a situation does not permit this, normal and reasonable expenditures according to the circumstances are authorized. Commercial rates shall be obtained where they exist. Tips shall not exceed 15% of the services performed. Lodging receipts must be submitted, secured to expense report sheets.

Miscellaneous expenses: Miscellaneous expenses such as laundry and cleaning shall be paid for on out-of-town jobs exceeding one week. Receipts shall be attached to the expense report sheets for approval of this reimbursement.

Entertainment: Reasonable expenditures for entertainment of clients, prospective buyers or Employees are authorized when the purpose is business rather than of a social or personal nature. The date, name of each guest and amount spent must be itemized and attached to the expense report sheets. If a credit card is used, attach the customer's copy of the receipt to a separate sheet providing the same information.

Family expenses: If an Employee or Independent Contractor's spouse accompanies them on a business trip, the spouse's expenses are not reimbursable to the Employee or Independent Contractor unless the spouse's presence has a bonafide business purpose. Transportation, lodging or other meals are at the Employee's expense unless prior authorization has been granted. RTK Company policy includes reimbursement to the Employee for their spouse's expenses to attend an approved convention, including registration, banquets, luncheons and entertainment expenses. Prior approval for this reimbursement is required from a Company officer.

Expense documents and payment: All travel advances shall be applied for through the treasurer, who shall in turn notify accounting. All travel expenses will be issued by check. Upon return, an expense report shall be submitted to accounting, which will charge the area of expense and clear the travel account. The check stub of the travel advance will be retained by accounting until final accounting is made. Travel advance money may be deducted from itemized monthly expenses. Receipts are required for any expense item exceeding \$25.00.

G. PERSONNEL RECORDS

You have a right to inspect certain documents in your personnel file, as provided by law, in the presence of an RTK representative at a mutually convenient time. No copies of documents in your file may be made, with the exception of documents that you have previously signed. You may add your version of any disputed item to the file.

RTK Resort Group will attempt to restrict disclosure of your personnel file to authorized individuals within RTK. Any request for information contained in personnel files must be directed to your Supervisor. Only the Managing Director and the Department Directors are authorized to release information about current or former Employees. Disclosure of personal information to outside sources will be limited. However, RTK will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations and as otherwise legally required.

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RTK Resort Group is required by law to keep current all Employees' and Independent Contractor's names and addresses. Employees and Independent Contractors are responsible for notifying RTK in the event of a name or address change.

I. PERFORMANCE EVALUATIONS

You may receive periodic performance reviews conducted by your supervisor. Your first performance evaluation may occur after completion of your trial period, although an evaluation may be provided earlier, if deemed appropriate by your Supervisor. After that review, performance evaluations may be conducted annually, or more frequently or less frequently, as deemed appropriate by your Supervisor. The frequencies of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties or any recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude and your attitude toward others. The performance evaluation is intended to make you aware of your progress, areas for improvement and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of RTK and depend upon many factors in addition to performance.

After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you and discussed with you by your Supervisor and that you are aware of its contents.

J. EMPLOYMENT OF RELATIVES

Relatives of Employees may be eligible for employment with RTK only if individuals involved do not work in a direct Supervisory relationship, or in job positions in which a conflict of interest could arise, unless written approval is obtained by the Managing Director prior to the hire. "Relatives" are defined to include spouses, children, siblings, parents, in laws and step relatives.

If two Employees and/or Independent Contractors marry or become related, causing actual or potential problems such as those described above, only one of the Employees/ Independent Contractors will be retained within RTK, unless reasonable accommodations can be made to eliminate actual or potential problems. The Employees/ Independent Contractors will have thirty days to decide which relative will stay with RTK. If this decision is not made in the time allowed, the Managing Director of RTK will make the decision, entirely within his subjective discretion.

K. CONFLICTS OF INTEREST

All Employees and Independent Contractors must avoid situations involving actual or potential conflict of interest. Personal or romantic involvement with a competitor, supplier or subordinate Employee of RTK, which impairs an Employee's ability to exercise good judgment on behalf of RTK, creates an actual or potential conflict of interest. Supervisor subordinate romantic or personal relationships also can lead to supervisory and morale problems.

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If you are involved in any of the types of relationships or situations described in this policy, you should immediately and fully disclose the relevant circumstances to your immediate Supervisor, or any other appropriate Supervisor, for a determination as to whether a potential or actual conflict exists. If an actual or potential conflict is determined, RTK may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts will constitute grounds for disciplinary action.

These types of relationships are therefore prohibited and violations of this policy will subject an Employee to disciplinary action, up to, and including termination.

L. RESIGNATION

If an Employee or Independent Contractor finds it necessary to resign their position with RTK, that Employee or Independent Contractor shall submit their resignation in writing to their supervisor, including any appropriate comments regarding their employment or the reasons for their resignation. The resignation must be submitted **at least two (2) weeks in advance** of termination. This courtesy allows the supervisor time to adjust working schedules and to employ a replacement for the resigning Employee.

When an Employee resigns their position with the firm within the **First 12 months** of employment, they forfeit all accrued vacation time.

Any Employee or Independent Contractor retained through an employment agency or executive search firm that resigns within the **first 12 months** of employment, shall **forfeit from any termination pay the cost of these services less any offset made by the employment agency or executive search firm.**

M. TERMINATION

Should RTK find it necessary to **reduce its workforce**, Employees or Independent Contractors who are to be terminated shall be given at least five (5) working days' notice of termination and a letter stating the reason for the termination. Any Employee or Independent Contractor who violates a fiduciary relationship or who performs any act while in the employment of RTK which is critical in nature shall be subject to immediate termination without notice. **Termination pay is the total volume of compensation earned by, but not yet paid to the Employee or Independent Contractor.**

Any Employee dismissed due to disciplinary action shall forfeit all accrued vacation time.

N. INVOLUNTARY TERMINATION

Employment or appointment may be terminated with or without cause, and with or without notice, at any time. Employees and Independent Contractors should also always remember that a violation of RTK policies and rules might warrant disciplinary action, up to and including termination. Nothing in this paragraph shall be deemed to limit in any way the At Will employment relationship between you and RTK.

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O. VOLUNTARY TERMINATION

If you voluntarily resign your employment or fail to report to work for three consecutively scheduled workdays without notice to, or approval by your Supervisor, you will be considered to have voluntarily terminated employment with RTK.

P. RETURN OF ALL COMPANY PROPERTY

All RTK owned property (equipment, vehicles, keys, uniforms, identification badges, credit cards, etc.) must be returned immediately upon termination of employment; otherwise the costs of such will be deducted in your final check disbursement.

*Guide for Employees and Independent Contractors***SECTION IV. STANDARDS OF CONDUCT****A. PROHIBITED CONDUCT**

The following conduct is prohibited and will not be tolerated by RTK. This list of prohibited conduct is illustrative only; other types of conduct injurious to security, personal safety, Employee welfare and RTK operations also may be prohibited.

1. Falsification, alteration, destruction or removal of employment records, employment information or other RTK records.
2. Recording the work time of another Employee or allowing any other Employee to record your work time, or allowing falsification of any time card, either your own or another Employee's.
3. Deliberate or careless damage of any RTK property or the property of any Employee, Independent Contractor or customer.
4. Deliberate destruction of any RTK property or the property of any Employee, Independent Contractor or customer.
5. Removing or borrowing RTK property without prior authorization.
6. Unauthorized use of RTK equipment, time, materials, or facilities.
7. Provoking a fight or fighting during working hours or on RTK property.
8. Participating in horseplay or practical jokes that might infringe on the safety of others on RTK time or on RTK premises.
9. Carrying firearms or any other dangerous weapons on RTK premises at any time.
10. Engaging in criminal conduct whether or not related to job performance.
11. Causing, creating or participating in a disruption of any kind during working hours on RTK property.
12. Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a Supervisor or member of management, or the use of abusive or threatening language toward a Supervisor or member of management.
13. Using abusive language at any time on RTK premises.
14. Failure to notify a Supervisor when unable to report to work.
15. Failure to report for work as scheduled.
16. Failure to obtain permission to leave work for any reason, other than meal period, during normal working hours.
17. Failure to observe working schedules, including rest and lunch periods.

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18. Failure to provide a physician's certificate when requested and required to do so.
19. Sleeping or loitering on the job.
20. Making or accepting personal telephone calls during working hours, except in cases of emergency or extreme circumstances.
21. Working overtime without authorization or refusing to work assigned overtime.
22. Wearing extreme, unprofessional or inappropriate styles of dress or hair while working.
23. Violation of any safety, health, security or RTK policies, rules or procedures.
24. Committing a fraudulent act or a breach of trust under any circumstances.
25. Unlawful harassment.
26. Engaging in slanderous conversation about other Employees, Independent Contractors and/or RTK.
27. Disclosure of confidential RTK information or documents.
28. Possession, use, sale or transfer of intoxicants, illicit drugs or alcohol while on RTK property or when performing work for RTK.
29. Discourtesy to guests or homeowners, suppliers, co-workers or others who conduct business with RTK.
30. Use of RTK or other related company email identities, addresses or URLs that may be assigned to you for personal benefit or gain in matters unrelated to your assigned tasks or responsibilities.

This statement of prohibited conduct does not alter RTK policy of At Will employment. Either you or RTK remain free to terminate the employment relationship at any time, with or without reason or advance notice.

B. OFF DUTY CONDUCT

While RTK Resort Group does not seek to interfere with the off duty and personal conduct of its Employees, certain types of off duty conduct may interfere with RTK legitimate business interests. For this reason, you should be aware of the following policies:

You are expected to conduct your personal affairs in a manner that does not adversely affect RTK or your own integrity, reputation or credibility. Illegal or immoral off duty conduct on your part that adversely affects RTK's legitimate business interests or your ability to perform your job will not be tolerated.

While employed by RTK, you are expected to devote your energy to your job with RTK. For this reason, second jobs are strongly discouraged. The following types of outside employment are strictly prohibited:

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1. Additional employment that conflicts with your work schedule, duties and responsibilities;
2. Additional employment that creates a conflict of interest or is incompatible with your employment with RTK;
3. Additional employment that impairs or has a detrimental effect on your work performance with RTK;
4. Additional employment that requires you to conduct work or related activities on RTK property during RTK working hours or using RTK facilities and/or equipment;
5. Additional Employment that directly or indirectly competes with the business or the interests of RTK.

If you wish to engage in additional employment that may create a real or apparent conflict of interest, you must submit a written request to RTK explaining the details of the additional employment. If the additional outside employment is authorized, RTK assumes no responsibility for it. RTK shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of outside employment. Authorization to engage in additional employment can be revoked at any time.

C. DRUG AND ALCOHOL ABUSE

RTK Resort Group is concerned about the use of alcohol, illegal drugs or controlled substances as it affects the work place. Use of these substances whether on or off the job can adversely affect your work performance, efficiency, safety and health and therefore seriously impair your value to RTK. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other Employees and exposes RTK to the risks of property loss or damage, or injury to other persons.

Furthermore, the use of prescription drugs and/or over the counter drugs also may affect your job performance and seriously impair your value to RTK.

The following rules and standards of conduct apply to all Employees and Independent Contractors either on RTK property or during the workday (including meals and rest periods). The following are strictly prohibited by RTK:

1. Possession or use of alcohol, or being under the influence of alcohol while on the job.
2. Driving an RTK vehicle while under the influence of alcohol or drugs.
3. Distribution, sale or purchase of an illegal or controlled substance while on the job.
4. Possession or use of an illegal, or controlled substance or being under the influence of an illegal or controlled substance while on the job.

Violation of the above rules and standards of conduct will not be tolerated and may result in disciplinary action, up to and including termination. RTK also may bring the matter to the attention of appropriate law enforcement authorities.

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In order to enforce this policy, RTK reserves the right to conduct reasonable searches of RTK property or Employees, Independent Contractors and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.

Your conviction on a charge of illegal sale or possession of any controlled substance while off RTK property will not be tolerated because such conduct, even though off duty, reflects adversely on RTK. In addition, RTK must keep people who sell or possess controlled substances off RTK premises in order to keep the controlled substances themselves off the premises.

If you are using prescription or over the counter drugs that may impair your ability to safely perform the job, or affect the safety or well being of others, you must notify a Supervisor of such use immediately before starting or resuming work.

Employees and Independent Contractors with RTK will be subject to random testing for controlled substances. If random tests are positive, you may be terminated for cause.

RTK Resort Group will encourage and reasonably accommodate Employees with chemical dependencies (alcohol or drug) to seek treatment and/or rehabilitation. To this end, Employees desiring such assistance should request a treatment or rehabilitation leave. RTK is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is RTK obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency.

Additionally, Employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect RTK treatment of Employees who violate the regulations described above. Rather, rehabilitation is an option for an Employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

D. PUNCTUALITY AND ATTENDANCE

As an Employee or Independent Contractor of RTK, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow Employees or Independent Contractors and your Supervisor. When you are absent, your workload must be performed by others, just as you must assume the workload of others who are absent.

You are expected to report to work as scheduled, on time and prepared to start work. Tardiness will not be tolerated. You are also expected to remain at work for your entire work schedule, except for meal periods or when required to leave on authorized RTK business. Late arrival, early departure or other absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must call your Supervisor at least thirty minutes before your scheduled workday begins. If extenuating circumstances do not permit you to call in accordance with the rules established in your department and in no event less than thirty minutes in advance, as required herein, then you must call your Supervisor as soon as possible. If you fail to call without a legitimate reason, the absence will be treated as an "unreported absence" in our personnel records. In all cases of absence or tardiness, you must provide your Supervisor with an honest reason or explanation.

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You also must inform your Supervisor of the expected duration of any absence. Other than in situations due to extenuating circumstances where you cannot make a call, you must call in on any day you are scheduled to work and will not report to work. You must call in as soon as humanly possible to inform your Supervisor of the circumstances causing your absence.

Employees are expected to be at work even during inclement weather conditions. Absent Employees will not be paid for the day absent, unless RTK officially closes for the day, in which event reasonable attempts will be made to notify Employees.

Excessive absenteeism or tardiness (whether excused or not) will not be tolerated and may be grounds for discipline up to and including termination of employment. Even one unexcused absence may be considered excessive, depending on the circumstances.

Any Employee who misses five or more days of work due to an illness/injury will be required to submit a doctor's release in order to return to work. Employees who do not submit a release will not be allowed to return to work until such certification is obtained.

If you fail to report for work without any notification to your Supervisor and your absence continues for a period of three days, RTK will consider that you have abandoned your employment and have voluntarily resigned.

E. PERSONAL STANDARDS

RTK Resort Group expects its Employees and Independent Contractors to present a professional well groomed image. Clothes and uniforms must be clean and well pressed. Clothes, hairstyles, make up and jewelry must be conservative (i.e. Skirt Lengths should be no shorter than four inches above the top of the kneecap). With the exception of earrings, visible body piercing is not acceptable. Exposed tattoos will not be allowed. Band Aids, make up or clothing should be used to cover the tattoo.

The following list provides examples of dress code violations and is not intended to be exhaustive. Your good judgment is always presumed:

- No jeans with holes
- No workout wear: leotards, tights, etc.
- No t-shirts with inappropriate wording
- No thongs or flip flops
- No military clothes
- No midriff tops or halter tops
- No spandex t-shirts
- No shorts
- No tank tops
- No overpowering colognes or perfumes

Department Managers may issue more specific guidelines regarding dress or uniforms.

Marketing and Sales Department Dress Code

Prospective Buyers will most likely make their first judgment based on the Marketing Associate's appearance. A warm friendly smile, while important, will not make the best first impression without impeccable attire. Appearance should always be neat, crisp and in good taste. This is the

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very reason why a dress code is so important. Highlights of the dress code include suitable attire for the occasion and performance of activities, including no body piercing or tattoos that are visible.

a. Women's Dress Guidelines

- Maximum 2 rings per hand
- Earrings must be conservative in size and 1 earring per ear
- Nails must be manicured and conservative
- No sleeveless blouse or dresses
- No leggings
- No low cut blouses or dresses
- No shorts without matching jacket
- No leather, denim or sneakers
- No skin tight pants or shorts
- Skirts and dresses – no hem line 2" above top of the knee
- No backless or strapless clothing
- Hair color must be natural looking, clean and professional
- Name badges worn while on property

b. Men's Dress Guidelines

- No wrist jewelry
- Facial hair must be well groomed
- Shirt, tie and slacks are required unless otherwise specified by site management
- One ring per hand
- No earrings
- Business style shoes: no cowboy boots or sneakers
- Socks required
- Hair must be above collar and ear, clean and professional with no ponytails
- No leather or denim
- Name badge worn while on property

c. Management reserves the right to amend the above guidelines at anytime

F. CUSTOMER AND PUBLIC RELATIONS

You are expected to be polite, courteous, prompt and attentive to every RTK member, owner, customer, vendor, supplier or other person doing business with RTK. When a situation arises where you do not feel comfortable or capable of handling the problem, your Supervisor should be called immediately.

Ours is a service business and all of us must remember that the RTK owner/member always comes first. Our owner/members ultimately pay all of our wages. Remember, while the RTK owner/member is not always right, the owner/member is never wrong.

RTK owners and members are always to be treated courteously and given proper attention at all times. Never regard an owner/member's question or concern as an interruption or an annoyance.

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You must respond to inquiries from owner/members and affiliated resort personnel, whether in person or by telephone, promptly and courteously. Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. Through your conduct, show your desire to assist the member/ owner in obtaining the help he or she needs. If you are unable to help an owner/ member, find someone who can.

All correspondence and documents, whether to owners and members, affiliated resort staff or others, must be neatly prepared and error free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

Never argue with a RTK owner /member. If a problem develops, or if a RTK owner/ member remains dissatisfied, ask your Supervisor to intervene.

G. CONFIDENTIALITY

Employees and Independent Contractors are in daily contact with matters extremely confidential both from an ethical professional nature and from a legal standpoint. You are responsible for safeguarding Confidential Information obtained in connection with your employment and/or appointment. For this reason, RTK personnel will not divulge to anyone information of a confidential nature.

All Employees and Independent Contractors are expected to exercise discretion and caution when dealing with privileged information, both on and off the job. RTK cannot tolerate disclosures of such information to even the closest of an Employee's friends or relatives. Employees and Independent Contractors are instructed that only the general aspects of their work be discussed, and persons doing otherwise will be terminated.

"Confidential Information" means proprietary techniques and confidential information RTK has or will develop, compile, or own, or that RTK receives under conditions of confidentiality. Confidential Information includes not only information disclosed by RTK (including its Employees, agents and Independent Contractors) or its customers to you in the course of employment, but also information developed or learned by you during the course of your employment with RTK.

Confidential Information is broadly defined and includes: i.) all information that has or could have commercial value or other utility in the business in which RTK or Clients are engaged or in which they contemplate engaging, and; ii.) all information that, if disclosed without authorization, could be detrimental to the interest of RTK.

In the course of your work, you may have access to Confidential Information regarding RTK, its suppliers, its customers and even fellow Employees. It is your responsibility to in no way reveal or divulge any such information unless it is necessary for you to do so in the performance of your duties. Access to Confidential Information should be on a "need to know" basis and must be authorized by your Supervisor. Any breach of this policy will not be tolerated and legal action may be taken by RTK.

H. BUSINESS CONDUCT AND ETHICS

No Employee or Independent Contractor may accept a gift or gratuity over \$25 from any member, customer, vendor, supplier or other person doing business with RTK as it may give the

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appearance of influence regarding their business decision, transaction or service. Please discuss any expenses paid by such persons with RTK in advance.

I. MEDIA CONTACTS

You may be approached for interviews or comments by the news media. Only those people designated by RTK's Managing Director or Managing Director may comment on RTK policy or events that have an impact on RTK.

*Guide for Employees and Independent Contractors***SECTION V. OPERATIONAL CONSIDERATIONS****A. RTK RESORT GROUP PROPERTY**

Lockers, desks, computers, software, vehicles, forms, procedure manuals, owner lists, software, mailing lists, all intellectual property and Confidential Information, and any other documents and/or computer imagery developed by and/or in the possession of RTK, constitute RTK Property and must be maintained according to RTK rules and regulations. RTK Property is to be used only for work related purposes. RTK reserves the right to inspect all RTK Property to insure compliance with its rules and regulations, without notice to you and/or in your absence.

RTK voicemail and/or Electronic mail are to be used for business purposes only. RTK reserves the right to listen to voicemail messages and to access E mail messages at any time, for any reason, including but not limited to ensure compliance with this rule, without notice to the Employee or Independent Contractor and/or in their absence.

RTK Resort Group may periodically need to assign and/or change passwords and personal codes for the voicemail, Email and computer. These communication technologies and related storage media and databases are to be used for RTK business and they remain the property of RTK. RTK reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system.

Prior authorization must be obtained before any RTK property may be removed from the premises.

For security reasons, you should not leave personal belongings of value in the work place. Personal items are subject to inspection and search, with or without notice and with or without your prior consent.

Terminated Employees and Independent Contractors should remove any personal items at the time they leave RTK. Personal items left in the work place by previous Employees or Independent Contractors are subject to disposal if not claimed at the time of the Employee's termination.

All Employees and Independent Contractors, at time of termination, may be required to execute a Termination Certificate specifically providing, among other things, that all RTK Property has been returned to RTK and is otherwise not in the Employee's possession. (Please contact your Supervisor should you wish to review a copy of the Termination Certificate.)

B. VOICE MAIL AND E MAIL POLICY

RTK Resort Group maintained systems: Voicemail and electronic mail (email) systems are maintained by RTK in order to facilitate RTK business. Therefore, all messages sent, received, composed and/or stored on these systems are property of RTK.

Personal use extremely limited: Personal use of electronic mail systems is strictly prohibited. RTK understands, however, that on occasion immediate family members may need to leave messages on the voicemail system for an Employee, and is willing to accommodate such personal use of the system to a limited degree. However, personal use of the voicemail system

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which interferes with an Employee or Independent Contractor's work performance will not be tolerated.

Passwords/Codes: It may be necessary to assign and/or change "passwords" and personal codes for the voicemail, email and computer. These items are to be used for RTK business and they remain the property of RTK. RTK may keep a record of all passwords/codes used and/or may be able to override any such password system.

Privacy not guaranteed: RTK reserves the right to access an Employee's or Independent Contractor's voicemail (outgoing and incoming) and email messages at any time. Therefore, an Employee's outgoing voicemail message must not indicate to the caller that his/her incoming message will be confidential or private. The existence of a password on either system is not intended to indicate that messages will remain private. Passwords, and any changes to passwords, must be made known to RTK by all Employees and Independent Contractors in writing.

Erasure not reliable: Employees should be aware that even when a message has been erased, it still may be possible to retrieve it from a backup system. Therefore, Employees and Contractors should not rely on the erasure to assume a message has remained private.

Message access: Messages on the voicemail and email systems are to be accessed only by the intended recipient and/or the intended recipient's manager and/or supervisor, and by other Employees at the direct request of the intended recipient. However, RTK reserves the right to access messages on both systems at any time without notice to you and/or in your absence. Any attempt by persons other than the above to access messages on either system will constitute a serious violation of RTK policy.

Harassment and discrimination: Messages on RTK voicemail and email systems are subject to the same policies regarding harassment and discrimination, as are any other work place communications. Offensive, harassing or discriminatory content in such messages will not be tolerated and may be cause for disciplinary action, up to and including termination.

C. USE OF ELECTRONIC MEDIA

RTK Resort Group uses various forms of electronic communications, including, but not limited to: computers, email, telephones (cellular, cordless), voicemail, fax machines, all on line services paid for by RTK such as Seibel CRM and SalesForce.com, Internet, and World Wide Web. All electronic communications, including all software and hardware, remain the sole property of RTK Resort Group and are to be used only for RTK business and not for any personal use.

Electronic communications/ media may not be used in any manner that would be discriminatory, harassing or obscene, or for any other purpose which is illegal, against RTK policy or not in the best interest of RTK.

Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, solicitation or related actions will be subject to immediate termination.

Employees may not install personal software in RTK computer systems. All electronic information created by any Employee using any means of electronic communication is the property of RTK.

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Personal passwords may be used for purposes of security, but the use of a personal password does not affect RTK ownership of the electronic information.

RTK Resort Group will override all personal passwords if it becomes necessary to do so for any reason.

RTK Resort Group reserves the right to access and review electronic files, messages, mail, etc., and to monitor the use of electronic communications as is necessary to ensure that there is no misuse or violation of RTK policy or any law.

Employees are not permitted to access the electronic communications of other Employees or third parties unless directed to do so by RTK management.

Employees who use cell phones, cordless phones, portable computers and fax communications should not use these methods of communicating confidential or sensitive information or any trade secrets.

Access to the Internet, Web sites and other types of RTK paid computer access are to be used for RTK related business only. Any information about RTK, its products or services, or other types of information that will appear in the electronic media about RTK must be approved by RTK's Managing Director before the information is placed on an electronic information source.

Questions about access to electronic communications or issues relating to security should be addressed with your Supervisor.

D. OFF DUTY USE OF FACILITIES

You are prohibited from being on RTK premises or making use of RTK facilities while not on duty. You are expressly prohibited from using RTK facilities, RTK property or RTK equipment for personal use. RTK reserves the right to modify or change this policy at any time.

E. EMPLOYEE / INDEPENDENT CONTRACTOR PROPERTY

Your personal property, including but not limited to, vehicles, lockers, packages, purses and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of RTK property. RTK is not responsible for any lost or stolen property.

F. SECURITY

The following security considerations are offered to help maintain a secure work place. Be aware of persons loitering for no legitimate reason (e.g., in parking areas, walkways, entrances/ exits and service areas). Report any suspicious persons or activities to security, your property/office manager and/or the appropriate supervisor and Department Director.

Please secure your desk or work station at the end of the day or when called away from your work area for an extended length of time and do not leave valuable and/or personal articles in or around your workstation that may be accessible.

*Guide for Employees and Independent Contractors***G. OFFICE SECURITY**

Office staff members, Independent Contractors and agents having access to information relating to RTK business matters shall regard this information as highly confidential. RTK's files, reports and consumer data bases are of a confidential nature and it is imperative that this data be maintained accordingly.

The procedure detailed below shall be followed when information from RTK Files is being requested by letter, telephone, fax, or in person.

1. Obtain name of individual and company they represent by requesting their business card or other forms of positive identification, the nature of the information requested and the purpose of the inquiry.
2. Write down information being requested by the individual.
3. Obtain information being requested from file.
4. Present information to your supervisor for decision and disposition.
5. If approved, furnish information to individual requesting it.

H. HEALTH AND SAFETY

You are responsible for your safety as well as that of others in the work place. In the event of occupational injury or illness, notify your supervisor immediately to obtain appropriate worker's compensation forms for filing.

RTK Resort Group and RTK Development will continue to provide a clean, safe and healthy place to work. For properties under construction, Employees and Independent Contractors are expected to do their part to work safely, wear required safety equipment, observe all posted safety rules and regulations, and keep work areas neat and clean. Personal safety equipment, such as hard hats, will be provided by RTK.

Any accident to any Employee or Independent Contractor must be reported to that Employee or Independent Contractor's Supervisor immediately. Minor accidents are not excluded. Supervisors will immediately notify RTK's insurance representative. For the Employee to receive benefits provided by workman's compensation insurance, a **company accident report** must be completed **within 24 hours of the time of the accident**.

I. SMOKING POLICIES

Smoking is not allowed in any enclosed area of the RTK facility, nor is it allowed out of doors in areas that are highly visible to RTK owners/ members, clients or prospective developers, clients or customers.

Guide for Employees and Independent Contractors**J. HOUSEKEEPING**

You are expected to keep your work areas clean and organized. Common areas such as lunchrooms, locker rooms and restrooms should be kept clean by those using them. Please clean up after meals. Dispose of trash properly. Keep storage room doors and file drawers closed at all times.

Housekeeping is a way of working. It means keeping work places neat, clean and free of items not being used. It means keeping equipment clean and in the proper places, disposing of waste in proper containers, and storing materials and equipment in an orderly manner in designated places only.

By practicing good housekeeping, Employees and Independent Contractors contribute to the maintenance of RTK's public image and its safety program. Open file drawers can cause serious injuries. Dirt and disorder adversely affects the quality of work and influences the consumers' impression of the type of company we are in a negative way.

The kind of housekeeping RTK must maintain cannot be accomplished by a periodic cleanup. Good housekeeping is the daily personal responsibility of each Employee and Independent Contractor.

K. PARKING

You may park in designated areas in accordance with the parking policy available from your Supervisor. If space is unavailable, you must park off site. You may not use parking areas specifically designated for owners, members, customers, vendors, RTK vehicles or management vehicles.

L. SOLICITATION AND DISTRIBUTION OF LITERATURE

Under no circumstances will non Employees be permitted to solicit or to distribute written material for any purpose on RTK property. No salesmen or agents are permitted to canvas Employees or Independent Contractors during working hours. Charitable collections from *RTK* personnel are limited to the United Way Fund. Individuals are free to contribute to any worthwhile organization on their own time.

In order to ensure efficient operation of RTK business and to prevent annoyance to company Employees and Independent Contractors, it is necessary to control solicitations and distribution of literature on RTK property.

RTK has established rules applicable to all Employees and Independent Contractors governing solicitation, distribution of written material and entry onto the premises and work areas. All Employees are expected to comply strictly with these rules. Any Employee who is in doubt concerning the application of these rules should consult with his or her Supervisor immediately.

No Employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the Employee(s) or Independent Contractor(s) at whom such activity is directed. No Employee shall distribute or circulate any written or printed material in work areas at any time, or during his or her working time or during the working time of

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the Employee or Employees at whom such activity is directed. Anyone wanting to take a collection for a fellow Employee for any reason must receive approval in advance by an officer of RTK.

M. CONDUCTING PERSONAL BUSINESS

You are to conduct only RTK business while at work or on assignment. You may not conduct personal business or business for another employer during your scheduled working hours.

N. PERSONAL MAIL

Personal mail is not to be delivered to RTK offices or its sales and marketing locations. Personal mail should be addressed to the Employee's or Independent Contractor's home or an off-premises postal annex.

O. TELEPHONE SERVICE

Telephones are for conducting RTK business. Personal use of RTK company telephones must be strictly limited. All long distance telephone calls must be placed using your personnel ID Number registered with the business office, so that charges can be billed to the appropriate job or project.

P. MOBILE PHONES

Personal cell phones, if brought to the office, shall be turned off during business hours within the office. Use of cell phones shall be limited to non-business time. Personal calls, although discouraged, should be made and received through RTK's phone system. If an emergency situation occurs, advise your immediate supervisor.

Q. RADIOS, CD PLAYERS. ETC.

Radios, CD players, iPods and similar devices, with or without headphones, are not a part of this work environment and should be kept outside the office.

R. PURCHASING

The policy for the purchase of equipment and office supplies is as follows:

1. Individuals shall request purchase of equipment, supplies and hospitality food and beverages by memo to their supervisor. These "want lists" shall give complete details for each item including a detailed description, size, quantity and urgency.
2. The goal of this plan is to submit orders less frequently and to purchase larger quantities when feasible, taking advantage of quantity discounts and reduced shipping costs.
3. RTK will have an occasional emergency order for special items; however, each individual

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is urged to give more attention to planning and anticipating future requirements so purchasing can be done in an orderly manner.

4. All purchases on behalf of RTK shall be performed by the business manager or agents designated by RTK.

S. EMPLOYEES WHO ARE REQUIRED TO DRIVE

If you are required to drive an RTK vehicle or your own vehicle on RTK business, you will be required to show proof of a current, valid license and current effective insurance coverage prior to the first day of employment.

RTK Resort Group participates in a system that regularly checks records of all Employees who drive as part of their job.

RTK Resort Group retains the right to transfer to an alternative position, suspend or terminate you if your license is revoked, or if you fail to maintain personal automobile insurance coverage or if you are uninsurable under the RTK policy.

If you drive your own vehicle on RTK business, you must list RTK Resort Group as an *Additional Insured*. You will be reimbursed at the current rate established by RTK management.

T. POLICY AGAINST WORKPLACE VIOLENCE

RTK Resort Group recognizes that violence in the workplace is a growing nationwide problem necessitating a firm, considered response by employers. The costs of workplace violence are great, both in human and financial terms. We believe that the safety and security of our Employees are paramount. Therefore, RTK has adopted this policy regarding workplace violence. Acts or threats of physical violence, including intimidation, harassment, and/or coercion, that involve or affect RTK or that occur on RTK property or in the conduct of RTK business of RTK property, will not be tolerated.

This prohibition against threats and acts of violence applies to all persons involved in RTK operations, including, but not limited to, personnel, Independent Contractors, contract workers, temporary Employees, and anyone else on RTK property or conducting RTK business off RTK property. Violations of this policy, by any individual, will lead to disciplinary action, including termination, and/or legal action as appropriate.

Definitions:

Workplace violence is any intentional conduct that is sufficiently severe, offensive, or intimidating to cause an individual to reasonably fear for his or her personal safety or the safety of his or her family, friends, and/or property such that employment conditions are altered or a hostile, abusive, or intimidating work environment is created for one or several Employees and Contractors.

Workplace violence may involve any threats or acts of violence occurring on RTK premises, regardless of the relationship between RTK and the parties involved in the incident. It also includes threats or acts of violence that affect the business interests of RTK or that may lead to an incident of violence on RTK premises.

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Specific examples of conduct that may constitute threats or acts of violence under this policy include, but are not limited to, the following:

1. Threats or acts of physical or aggressive contact directed toward another individual;
2. Threats or acts of physical harm directed toward an individual or his/her family, friends, associates, or property;
3. The intentional destruction or threat of destruction of RTK property or another Employees' of Independent Contactor's property;
4. Harassing or threatening phone calls;
5. Surveillance;
6. Stalking;
7. Veiled threats of physical harm or similar intimidation; and,
8. Any conduct resulting in the conviction under any criminal code provision relating to violence or threats of violence that adversely affects RTK legitimate business interests.

Enforcement:

Any person who engages in a threat or violent action on RTK property may be removed from the premises as quickly as safety permits and may be required, at RTK discretion, to remain off RTK premises pending the outcome of an investigation of the incident. When threats are made or acts of violence are committed by Employee(s) or Independent Contractor(s), a judgment will be made by RTK as to what actions are appropriate, including possible medical evaluation and/or possible disciplinary action.

Under this policy, decisions may be needed to prevent a threat from being carried out, a violent act from occurring, or a life-threatening situation from developing. No existing policy or procedure should be interpreted in a manner that prevents the making of these necessary decisions.

Important Note: RTK will make the sole determination of whether, and to what extent, threats or acts of violence will be acted upon by RTK. In making this determination, RTK may undertake a case by case analysis in order to ascertain whether there is a reasonable basis to believe that workplace violence has occurred. No provision of this policy shall alter the At Will nature of employment.

*Guide for Employees and Independent Contractors***SECTION VI. EMPLOYEE BENEFITS****A. HOLIDAYS**

RTK Resort Group respects and honors the desires of its Employees and Independent Contractors to spend time with their families and loved ones during holiday times.

Historically within the shared ownership resort industry, holidays can under certain circumstances be a very lucrative period for the sales of luxury resort inventory. It is expected that each RTK affiliated resort property may exhibit differing prospective buyer patterns during holiday times. The Project Director and the Director of Sales for each affiliated RTK resort will examine those buying patterns and, under advisement by the Managing Director, will determine whether to keep some or all of its marketing and sales division activities for their property open and operating over specific holidays. Holiday observance will be announced in advance.

RTK Resort Group observes the following paid holidays for Full time, Part time and Salaried Employees:

- New Year's Day
- Memorial Day
- Independence Day - July 4th
- Labor Day
- Thanksgiving Day
- Christmas Eve (1/2 day)
- Christmas Day

Additional holidays may be granted by RTK at its discretion. Observance of any holiday is limited to that day, except in cases where RTK shall determine otherwise.

When a holiday falls on a Saturday, it is usually observed on the preceding Friday. When a holiday falls on a Sunday, it is usually observed on the following Monday.

Employee Holiday Time

Eligibility for holiday pay begins after completion of the ninety (90) day trial period, at which time regular full time Employees are eligible for holiday pay for the full day and part time Employees are eligible for holiday pay on a pro rata basis.

To be eligible for holiday pay, you must be scheduled to work on the day on which the holiday is observed and must work your scheduled working days immediately preceding and immediately following the holiday, unless an absence on either day is approved in advance by your Supervisor.

Full time Employees who work on the holiday will receive compensation at one and one half times their regular rate of pay. Part time Employees who work on the holiday will receive compensation at one and one half times their regular rate of pay on a prorated basis.

Please note: If you are not scheduled to work on the holiday and it falls on your day off, you will not receive additional compensation. An Employee whose employment terminates will not be paid for an accrued unused floating holiday.

Guide for Employees and Independent Contractors**Independent Contractor Holiday Time**

Resort Sales Executives who are operating under an Independent Contractor Agreement may be asked to work during certain holiday times that are determined by RTK management for specific resort properties. Holiday schedules will first be developed on a volunteer basis. If RTK management determines that additional Sales Executives will be required to properly staff the operation, the Director of Sales for that particular resort property will assign Sales Executives to the schedule on a fair and equitable basis.

No provision of this policy shall alter the At Will nature of the Independent Contractor's employment.

B. VACATION TIME

RTK Resort Group is in the luxury leisure real estate business and, as such, encourages its Employees and Independent Contractors to take vacation time.

Historically certain resort destinations have exhibited less than acceptable sales success during seasonally less desirable times as shown by the patterns of its target market of potential buyers. It is probable each RTK affiliated resort property could exhibit differing prospective buyer patterns during its low season times.

The Project Director and the Director of Sales for each affiliated RTK resort will examine those buyer patterns and, under advisement by the Managing Director, may determine whether to keep some or all of its marketing and sales division activities for their property closed for a set predetermined period of time. For example, if resort sales are typically slow for the first two weeks after the Christmas/ New Years Holiday, then RTK management might set all vacation time for resort staff to occur during that predetermined two week period.

If predetermined vacation time is scheduled for your resort property, then all of your resort's sales and marketing team members, including all Full time, Part time and Salaried Employees as well as Independent Contractors, will be required to take their vacation during this predetermined time. Requests for vacation times outside of these predetermined times will not be considered, unless the Employee or Independent Contractor has earned accumulated vacation time that exceeds the length of that predetermined time.

If there is not a predetermined vacation time established for your resort property, you will be required to take your vacation time during the resort's low season. Low season is determined by the travel and occupancy patterns of prospective buyers for the resort destination area, and confirmed by the Director of Sales under advisement by the Managing Director. Such vacations must be scheduled by filing a request with the Director of Sales at least two weeks prior to the anticipated vacation dates.

Vacation schedules are determined solely by management, taking into consideration the work load, commitments and scheduling of RTK, seniority of the Employee and the general benefit of company and Employee/ Independent Contractor. It should be recognized that in some cases it maybe difficult to fit in vacation time and that vacations may have to be deferred.

Guide for Employees and Independent Contractors**Employee Vacation Time**

Full Time Employees: Each new Full Time Employee will begin earning vacation time starting with the first day of the pay period following the completion of the 90 calendar day probation period. Active Service then commences with an Employee's first day of work after the completion of the 90 calendar day probation period and continues thereafter unless broken by an absence without pay or a leave of absence.

Vacation time is earned during Active Service by the Full Time Employee on the basis of 3.08 hours per each two-week pay period.

A maximum of 10 days vacation time may be earned by the Full Time Employee per year. Vacation time cannot be claimed in advance of service. Vacation time in excess of 10 days may be accumulated under special circumstances with RTK management's prior written approval.

Part Time Employees: Each new Part Time Employee will begin earning vacation time starting with the first day of the pay period following the completion of the 90 calendar day probation period. Eligibility of Part Time Employees to receive vacation benefits shall be determined by the number of actual hours worked during Active Service that commences after the 90 day probationary period.

If a Part Time Employee has worked an average of thirty hours or more per week during Active Service, that Employee will be allowed to accrue vacation time on a pro rata basis. If it is determined that an Employee's average hours worked have fallen below thirty hours per week, the vacation benefit may be terminated, although previously earned vacation time will not be forfeited.

Temporary Employees: Temporary Employees do not accrue paid vacation time.

Accrual of Employee Vacation Time: Employee vacation time can accrue up to a maximum of sixty (60) days of pay. Once this cap is reached, no further vacation will accrue until some vacation is used. When some vacation is used, vacation compensation will begin to accrue again. There is no retroactive grant of vacation compensation for the period of time the accrued vacation compensation was at the cap. An Employee whose employment terminates will not be paid for accrued unused vacation days.

Independent Contractor Vacation Time

Those with RTK Resort Group Independent Contractor Agreements should refer to their agreement for specific vacation terms. The terms in the Independent Contractor Agreement take precedence over the general terminology and policies outlined herein.

Vacation time is allotted to Independent Contractors for continuous Active Service on a calendar year basis according to the following schedule. Vacation time generally can be taken after six (6) months of Active Service.

Years of Service	Vacation Days
Year 1	5 days
Years 2 - 5	10 days
Years 6 or more	15 days

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Active Service commences with an Independent Contractor's first day of work after the completion of the 90 calendar day probation period, and continues thereafter unless broken by a Leave of Absence.

In addition to the terms under **Section E: Leaves of Absence**, a Leave of Absence is also created when, for any reason, an Independent Contractor removes his/ her real estate license from RTK Resort Group's registered real estate broker for the resort property that the Independent Contractor was retained. Independent Contractors may be permitted to maintain their Active Service status with RTK Resort Group by relocating to another affiliated RTK Resort property, but only upon the approval by the Managing Director.

If a predetermined vacation time is scheduled for your resort property, then all Independent Contractors will be asked to take their vacation during this predetermined time. Requests for vacation times outside of these predetermined times will not be considered, unless the Independent Contractor has earned accumulated vacation time that exceeds the length of that in the predetermined schedule.

If there is not a predetermined vacation time established for your resort property, you will be asked to take your vacation leave during the resort's low season. Low season is determined by the travel and occupancy patterns of prospective buyers for the resort destination area, and confirmed by the Director of Sales under advisement by the Managing Director. Such vacations must be scheduled by filing a request with the Director of Sales at least two weeks prior to the anticipated vacation dates.

Vacation schedules are determined solely by management, taking into consideration the work load, commitments and scheduling of RTK, seniority of the Independent Contractor and the general benefit of RTK and the Independent Contractor. It should be recognized that in some cases it maybe difficult to fit in vacation time and that vacations may have to be deferred.

Accrual of Independent Contractor Vacation Time: Independent Contractors do not accrue unused vacation time. Use of vacation time must be taken during the calendar year.

No provision of this policy shall alter the At Will nature of the Independent Contractor's employment.

C. INSURANCE BENEFITS**Group Health Insurance Plan**

RTK may provide all Regular Full Time Employees, Part Time Employees who work a minimum of thirty (30) hours per week, and Independent Contractors the opportunity to participate in its medical insurance plan after completion of six (6) months of Active Service employment.

Criteria for participation are determined by RTK's Managing Director. For those with Employee status, RTK may elect to pay portion of the premium costs for the Employee's health insurance plan. Independent Contractors may participate in the health plan, but would be responsible for 100% of their personal insurance premiums. Dependent coverage is also available if the Employee or Independent Contractor chooses to elect to enroll them in the plan. Employees and Independent Contractors are responsible for 100% of the premium costs for dependent coverage.

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If RTK contributes to a portion of the insurance premium, the remaining portion of the total premium cost will be deducted from the Employee's/ Independent Contractor's paycheck each pay period.

Eligibility of Part Time Employees to receive health insurance benefits shall be determined by the number of actual hours worked. If a part time Employee has worked an average of thirty hours or more per week, that Employee will be allowed to receive the health insurance benefit as described above. If it is determined that an Employee's average hours worked have fallen below thirty hours per week, the health insurance benefit may be terminated.

Open enrollment dates for the Health and Life Insurance Plans are November 1st, effective December 1st. Contact your Supervisor or Department Director to ascertain your eligibility.

D. SICK LEAVE

Sick leave is a form of insurance that is accumulated in order to provide a cushion for incapacitation due to illness. It is to be used only when actually required for purposes stated below. Time off for medical and dental appointments will be treated as sick leave.

In case of chronic or catastrophic illness, as affirmed by RTK's board of directors, special consideration may be given to the Employee's/ Independent Contractor's circumstances. In such cases, the RTK board may require, as appropriate, any substantiating records of the Employee/ Independent Contractor, or may require the Employee/ Independent Contractor to be examined by a physician designated by RTK.

Employee Sick Leave

Each new Employee will begin earning sick leave starting with the first day of the pay period following the completion of the 90 calendar day's probation period. Sick leave is earned by the Employee on the basis of 1.54 hours per each two-week pay period, up to a maximum of 5 work days. Part Time Employees receive sick leave on a pro rata basis.

Sick days cannot be claimed in advance of service. There is no retroactive grant of sick leave. RTK does not provide pay in lieu of unused sick leave. Payment for sick leave is applicable only for the Employee illness and not for absence due to illness of other members of the Employee's family. Sick leave is a benefit and the monetary value, if any, of any unused sick leave will not be paid to the Employee.

If you are absent due to illness, medical evidence of your illness and/or medical certification of your fitness to return to work satisfactory to RTK may be required before sick pay will be given. If there is reason to believe that sick leave has been abused or misused, sick pay may not be awarded. Abuse or misuse of your sick leave privilege will not be tolerated by RTK.

Employees may use up to one half their yearly sick leave accruals for the purpose of attending to a child, parent, or spouse who is ill. Leave for this purpose may not be taken until it has actually accrued. For purposes of sick leave use, a "child" is defined as a biological, foster, or adopted child, a stepchild or a legal ward. A "child" may also be someone you have accepted the duties and responsibilities of raising, even if he or she is not your legal child. A "parent" is your biological, foster, or adoptive parent, a stepparent, or a legal guardian. A "spouse" is your legal spouse according to the laws of the state in which you maintain permanent residency.

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All conditions and restrictions placed on an Employee's use of sick leave apply also to sick leave used for care of a child, parent or spouse.

Independent Contractor Sick Leave

Independent Contractors are generally allotted forty eight (48) hours (6 working days) sick leave on January 1 of each year. Independent Contractors do not receive compensation for sick leave.

Please keep in mind that excessive time off due to personal or family related health reasons over and above RTK's general sick leave allocation can put a manpower strain on resort operations. Abuse or misuse of your sick leave privilege will not be tolerated by RTK. If there is reason to believe that sick leave has been abused or misused, RTK may elect to terminate your services.

Independent Contractors who work within RTK resort sales divisions are encouraged to set medical and dental appointments on days when they are not scheduled for On Duty Floor Time by the resort's Director of Sales. If you are absent due to illness, medical evidence of your illness and/or medical certification of your fitness to return to work satisfactory to RTK may be required.

Independent Contractors may use up to one half their yearly sick leave for the purpose of attending to a child, parent, or spouse who is ill. For definitions of "child", "parent" and "spouse", see the ***Employee Sick Leave*** section immediately above.

No provision of this policy shall alter the At Will nature of the Independent Contractor's employment.

E. LEAVES OF ABSENCE

*Other Leaves of Absence, as delineated below, strictly pertain to both **Regular and Salaried Full Time Employees**, and do not relate to those personnel operating under any Independent Contractor Agreements with RTK Resort Group.*

Family/ Medical Leave. If you have completed at least 12 months of Active Service, and you have worked at least 1,250 hours during the previous 12 months period before the date the leave is to begin, and if you are employed at a work site where RTK Resort Group maintains on the payroll (as of the date of the leave request), at least 50 part or full time Employees within 75 miles (measured in road miles) of the work site where you are employed, you are eligible under the federal **Family & Medical Leave Act (FMLA)** and your resident State family leave laws to take up to a maximum of 60 workdays of unpaid family/medical leave within a 12 month period.

Family/medical leave time is permitted for the birth of your child, or placement of a child with you for adoption or foster care, to care for your spouse, child or parent who has a serious health condition, or for a serious health condition that makes you unable to perform your job.

Time off from work because of an Employee's disability due to pregnancy, childbirth or related medical condition is not counted as time used for State leave, but is counted as time used for FMLA leave. Pregnant Employees may have the right to take a pregnancy disability leave in addition to family or medical leave; such Employees should contact RTK's Human Resources Division regarding their individual situation. Any leave taken for the birth, adoption or foster care placement of a child does not have to be taken in one continuous period of time. State regulated leave taken for the reason of birth or placement of a child will be granted in minimum amounts of

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ten workdays. However, RTK will grant a request for a State regulated leave (for birth/placement of a child) of less than ten workdays' duration on any two occasions. Any leave taken must be concluded within one year of the birth or placement of the child with the Employee.

Please contact your Supervisor as soon as you become aware of the need for family/medical leave.

The following procedure shall apply when requests for family/medical leave are made:

1. **Based Upon Expected Birth.** If the event necessitating the leave is based on an expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of yours or that of a family member, you must provide at least 30 days' advance notice before leave is to begin. You must consult with RTK's Human Resource Division regarding the scheduling of any planned medical treatment or supervision so as to minimize disruption to the operations of RTK. Any such scheduling is subject to the approval of your health care provider or the health care provider of your child, parent or spouse.

If 30 days' notice is not practicable, notice must be given as soon as practicable.

RTK Resort Group will require that you provide certification as explained below within fifteen (15) days of your request for FMLA leave or State regulated leave, unless it is not practicable for you to do so. RTK may require recertification from your health care provider if additional leave is required.

2. **Care of Sick Child.** If the leave is needed to care for a sick child, spouse or parent, you must provide a certification from the health care provider which states:
 - a. Date of commencement of the serious health condition;
 - b. Probable duration of the condition;
 - c. Estimated amount of time the health care provider will provide care;
 - d. Confirmation that the serious health condition warrants the participation of a family member.
3. **Both Parents Employed by RTK.** In cases where both spouses are employed by RTK and the leave requested is for the birth, adoption or foster care of a child, RTK will not grant more than 60 workdays total of family/medical leave.
4. **Personal Leave.** If the leave is needed for your own serious health condition, you must provide a certification from the health care provider which states:
 - a. Date of commencement of the serious health condition;
 - b. Probable duration of the condition;
 - c. A statement that you are unable to work at all or are unable to perform the function of your position because of the serious health condition.

RTK Resort Group will require certification by your health care provider that you are fit to return to your job. Your failure to provide certification by the health care provider of your fitness to return to work will result in your being denied reinstatement until such time as the certificate is obtained.

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If the FMLA request is because of your own serious health condition, RTK may require, at its expense, a second opinion from a health care provider, designated by RTK. The health care provider designated to provide a second opinion will not be one who is employed on a regular basis by RTK.

If the second opinion differs from the first opinion, RTK may require, at its expense, that you obtain the opinion of a third health care provider, designated or approved jointly by RTK and you. The opinion of the third health care provider shall be considered final and binding on RTK and you.

5. **Family Leave.** If you take family leave, you will be allowed to continue participating in any health and welfare benefit plans in which you were enrolled prior to the first day of the leave for up to a maximum of 60 workdays) at the level and under the conditions of coverage as if you had continued in employment for the duration of such leave. RTK will continue to make the same premium contribution, if any, as if you had continued working.

The continued participation in health benefits begins on the date leave first begins under FMLA (i.e., for pregnancy disability leaves) or under FMLA/Resident State sponsored programs (i.e., for all other family care and medical leaves). In some instances, RTK may recover premiums paid to maintain health coverage for you if you fail to return to work following family/medical leave. Payment is due at the same time as it would be if made by payroll deduction.

6. **Paid Leave.** Paid leave will be substituted for unpaid leave in the following circumstances:

- a. Accrued sick leave is required to be used during the FMLA/CRFA leave for the Employee's own serious health condition, and may be used for any other qualifying event which would normally entitle the Employee to access his or her sick pay benefit.
- b. Additionally, you may use any accrued sick leave for any qualifying event, which would not customarily entitle you to access such benefit, if mutually agreed between RTK and you.

7. **Use of Vacation or Other Accrued Time.** Vacation and other accrued time (other than sick leave) may be used for any family/medical leave qualifying event, if requested by the Employee. Under most circumstances, upon return from family/medical leave, you will be reinstated to your original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, you have no greater right to reinstatement than if you had been continuously employed rather than on leave.

For example, if you are on family/medical leave, and you would have been laid off had you not gone on leave, or if your job had been eliminated during the leave and there is no equivalent or comparable job available, then you would not be entitled to reinstatement. In addition, your use of family/medical leave will not result in the loss of any employment benefit that you earned or were entitled to before using family/medical leave.

If you are on FMLA/Resident State leave, you will not continue to accrue vacation, sick leave or paid time off during unpaid FMLA/Resident State program leave.

8. **State and Federal Law as Basis for Leave.** Leave granted under any of the reasons provided by state and federal law will be counted as family/medical leave and will be

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considered as part of the 12 workweek entitlement in a 12-month period. The 12-month period is measured forward from the date your first FMLA leave begins. Successive 12-month periods commence on the date of an Employee's first use of such leave after the preceding 12-month period has ended. There is no carryover of unused leave from one 12-month period to the next 12-month period.

9. **FMLA/Resident State Leave.** You may take FMLA/Resident State leave intermittently (in blocks of time, or by reducing your normal weekly or daily work schedule) if the leave is for your serious health condition, or that of your child, parent or spouse and the reduced leave schedule is medically necessary as determined by the health care provider of the person with the serious health condition.
10. **Reinstatement for Salaried Key Employees.** Reinstatement after family/medical leave may be denied to certain salaried "key" Employees:
 - a. Who are among the highest paid ten (10) percent of salaried Employees who are employed within 75 miles of the work site at which the Employee is employed at the time of leave request; and
 - b. When the refusal to reinstate is necessary because the Employee's reinstatement will cause substantial and grievous economic injury to RTK Resort Group' operations; and
 - c. When the Employee is notified of RTK intent to refuse reinstatement at the time RTK determines the refusal is necessary;

For additional information about eligibility for family/medical leave, contact RTK's Human Resource Division

11. **Pregnancy Related Disability.** Pregnancy, childbirth or related medical conditions will be treated like any other disability, and an Employee on leave will be eligible for temporary disability benefits in the same amount and degree as any other Employee on leave.

Procedure: All female Employees should advise their Supervisor of their intent to take pregnancy leave as soon as possible. The individual should make an appointment with the RTK Human Resource Director so that the Director may explain the following:

- a. Employees who need to take pregnancy disability must provide at least verbal notice sufficient to notify RTK that the Employee needs to take a pregnancy disability leave and/or transfer. The verbal notice should include the anticipated time of and duration of the leave or transfer.

If the need for the leave or transfer is foreseeable because of the pregnancy, Employees must provide at least 30 days' advance notice before the pregnancy disability leave or transfer is to begin. Employees must consult with their Supervisor regarding the scheduling of any planned medical treatment or supervision so as to minimize disruption to the operations of RTK. Any such scheduling is subject to the approval of the health care provider of the Employee.

If 30 days' advance notice is not possible, notice must be given as soon as practicable.

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- b. If requested by the Employee and recommended by the Employee's physician, the Employee's work assignment may be changed as required to protect the health and safety of the Employee and her child.
- c. Requests for transfers of job duties will be reasonably accommodated only if the job and security rights of others are not breached.
- d. Temporary transfers due to health considerations will be granted where possible. However, the Employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons.
- e. Pregnancy leave will usually begin when ordered by the Employee's physician.

Employees must provide RTK with a certification from a health care provider. The certification indicating disability should contain:

- i. The date on which the Employee became disabled due to pregnancy;
 - ii. The probable duration of the period or periods of disability, and
 - iii. A statement that, due to the disability, the Employee is unable to perform one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.
- f. Leave returns will be allowed only when the Employee's physician sends a release.
 - g. An Employee will be allowed to use accrued sick time (if otherwise eligible to take the time) during a pregnancy disability leave. An Employee will be allowed to use accrued vacation or personal time (if otherwise eligible to take the time) during a pregnancy disability leave.
 - h. Duration of the leave will be determined by the advice of the Employee's physician, but disabled Employees may take up to four months. Part time Employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the Employee's pregnancy, childbirth or related medical condition. This includes leave for severe morning sickness and prenatal care.

Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Under most circumstances, upon submission of a medical certification that an Employee is able to return to work from a pregnancy disability leave, the Employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available. An Employee returning from a pregnancy disability leave has no greater right to reinstatement than if the Employee had been continuously employed rather than on leave. For example, if the Employee on pregnancy disability leave would have been laid off had she not gone on leave, or if the Employee's position had been eliminated or filled in order to avoid undermining RTK ability to operate safely and efficiently during the leave, and there are no equivalent or comparable positions available, then the Employee would not be entitled to reinstatement.

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If you take pregnancy disability leave and are eligible under the federal or state family and medical leave laws, RTK will maintain group health insurance coverage for up to a maximum of 12 workweeks (if such insurance was provided before the leave was taken) on the same terms as if you had continued to work. Leave taken under the pregnancy disability policy runs concurrently with family and medical leave under federal law. Family and medical leave does not necessarily run concurrently under state law. If you are ineligible under the federal and state family and medical leave laws, while on pregnancy disability leave, you will receive continued paid coverage on the same basis as other medical leaves which RTK may provide and which you are eligible to take. In some instances, RTK may recover premiums it paid to maintain health coverage for you if you fail to return to work following pregnancy disability leave.

If you are on pregnancy disability leave and are not eligible for continued paid coverage, or if paid coverage ceases after 60 work days, you may continue your group health insurance coverage through RTK in conjunction with COBRA guidelines by making monthly payments to RTK for the amount of the relevant premium.

Contact the RTK Human Resources Division for further information.

12. **Military Leave.** If you wish to serve in the military and take military leave, you should contact your Supervisor for information about your rights before and after such leave. You are entitled to reinstatement upon completion of military service provided you return or apply for reinstatement within the time allowed by law.
13. **Jury or Witness Leave.** RTK encourages you to serve on jury selection or jury duty when called.

Regular Employees. Upon completion of the trial period, Regular Full Time Employees will receive full pay for ten (10) complete days of absences due to jury duty or as a witness per each two (2) year period.

Part Time Employees. The salary of Part Time Employees will not be reduced for any week in which they perform any work. Conversely, Part Time Employees will not receive their weekly pay for the week in which the Employee is serving as a juror or witness if no work is performed during that week.

Jury Duty Notice to RTK: All Employees should notify their Supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received. You may be requested to provide written verification from the court clerk of having served. If work time remains after any day of jury selection or jury duty you will be expected to return to work for the remainder of your work schedule. You may retain any mileage allowance or other fee paid by the court for jury services.

H. EXTERNAL EMPLOYEE EDUCATION

It may be necessary for you to attend training programs, seminars, conferences, lectures, meetings or other outside activities for the benefit of RTK or the individual Employee. Attendance at such activities may be required by RTK or requested by individual Employees.

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However, attendance will not be considered an officially authorized activity, subject to the following policies on reimbursement and compensation, unless prior written approval has been issued by your Supervisor. If you wish to attend an activity, you must submit a written request detailing all relevant information, including date, hours, location, cost, expenses, and nature, purpose and justification for attendance.

Where attendance is required or authorized by RTK, customary and reasonable expenses will be reimbursed upon submission of proper receipts. Customary and reasonable expenses generally may include registration fees, materials, meals, transportation and parking. Reimbursement policies regarding these expenses should be discussed with your Supervisor in advance.

Employee attendance at authorized outside activities will be considered hours worked for Part Time and Full Time Regular Employees and will be compensated in accordance with normal payroll practices.

This policy does not apply to an Employee's voluntary attendance, outside of normal working hours, at formal or informal educational sessions, even if such sessions may generally lead to improved job performance. While RTK generally encourages all Employees to improve their job skills and promotional qualifications, such activities will not be subject to this policy pertaining to reimbursement or compensation unless prior written approval is obtained.

I. RECREATIONAL ACTIVITIES AND PROGRAMS

RTK Resort Group or its insurer will not be liable for the payment of workers' compensation benefits for any injury that arises out of your voluntary participation in any off duty recreational, social, or athletic activity that is not part of your work related duties.

J. DOMESTIC VIOLENCE LEAVE

Employees who are victims of domestic violence may be eligible for unpaid leave. You may request leave if you are involved in a judicial action, such as obtaining restraining orders, appearing in court to obtain relief to ensure your health, safety or welfare, or that of your child.

K. VOTING

If an Employee does not have sufficient time outside of working hours to vote in an official state sanctioned election, the Employee may take off enough working time to vote. Such time off will be taken at the beginning or end of the regular working shift, whichever allows for more free time, and the time taken off will be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances an Employee will be allowed a maximum of two hours of time during an election day without loss of pay. Where possible, an Employee requesting time off to vote will give his or her supervisor at least two days notice.

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SECTION VII. SUMMARY

This Guide is provided to help you better understand RTK Resort Group, its objectives, our mutual obligations and what is expected of you as an Employee. Please feel free to discuss any questions, whether or not they are related to the information contained in this Guide, with your Supervisor or RTK Officers.

The board of directors shall review these policies and procedures at least once each year and may waive any of the requirements herein at any time by an affirmative vote of at least three-fourths (3/4) of the members of the board of directors of RTK.

We sincerely hope you will find a sense of pride and job satisfaction working with us.