

**Flynn Management Corporation
Employee Handbook**

701 Employee Conduct and Work Rules

Effective 9/1/1998

To ensure orderly operations and provide the best possible work environment, FMC expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- * Theft or inappropriate removal or possession of property
- * Falsification of timekeeping records
- * Working under the influence of alcohol or illegal drugs
- * Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- * Fighting or threatening violence in the workplace
- * Boisterous or disruptive activity in the workplace
- * Negligence or improper conduct leading to damage of employer-owned or customer owned property
- * Insubordination or other disrespectful conduct
- * Violation of safety or health rules
- * Smoking in prohibited areas
- * Sexual or other unlawful or unwelcome harassment
- * Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- * Excessive absenteeism or any absence without notice
- * Unauthorized absence from workstation during the workday
- * Unauthorized use of telephones, mail system, or other employer-owned equipment
- * Unauthorized disclosure of business "secrets" or confidential information
- * Violation of personnel policies
- * Unsatisfactory performance or conduct

Employment with FMC is at the mutual consent of FMC and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

702 Drug and Alcohol Use

Effective Date: 4/01/2004

It is FMC's desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

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While on FMC premises and while conducting business-related activities off FMC premises, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

Under the Drug-Free Workplace Act, an employee who performs work for a government contract or grant must notify FMC of a criminal conviction for drug-related activity occurring in the workplace. The report must be made within five days of the conviction.

Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor or the Director of Property Management without fear of reprisal.

703 Sexual and Other Unlawful Harassment Effective Date: 4/01/2004

FMC is committed to maintaining a work environment that is free of discrimination, including sexual harassment.

Unwelcome sexual advances, requests for sexual favors, and other physical, verbal, or visual conduct based on sex may constitute sexual harassment. This conduct is unlawful when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include such actions as:

Conduct which is offensive to the individual, such as sexual flirtations, "kidding", "teasing", or jokes of a sexual nature.

Physical contact such as touching, patting, pinching, grabbing, or brushing against another's body.

Sexual favors or the taking of, or the refusal to take, any personal actions on the basis of an employee's submission to or refusal of sexual overtures.

Displaying pictures, posters, calendars, graffiti, objects, promotional materials, reading materials or other materials that are sexually suggestive, demeaning, or

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pornographic or bringing into the work environment or possessing any such materials to read, display, or view at work.

Every employee, and especially each person in a supervisory position, is expected to avoid any behavior or conduct that could be interpreted as unlawful harassment. All employees should also understand the importance of informing an individual whenever that individual's behavior is unwelcome, offensive, in poor taste, or inappropriate.

Any employee who believes that he or she is a victim of harassment (or who has witnessed such conduct) by any management official, other employee, customer, client or any other person in connection with his or her employment, should bring the matter to the immediate attention of Human Resources. Any supervisor or manager who becomes aware of possible unlawful harassment must promptly report the matter to Human Resources.

Human Resources will conduct an investigation of all allegations and recommend any appropriate action to be taken to the Director of Property Management.

Anyone engaging in any unlawful harassment will be subject to disciplinary action up to and including termination.

Any employee who wants to report an incident of unlawful harassment should do so promptly. Employees can raise concerns and make reports without fear of reprisal.

704 Attendance and Punctuality

Effective Date: 9/1/1998

To maintain a safe and productive work environment, FMC expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on FMC. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they must notify their immediate Supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance and tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

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705 Personal Appearance

Effective Date: 5/24/2002

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image FMC presents to customers and visitors.

During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed will be sent home and directed to return to work in proper attire. Under such circumstances, employees will not be compensated for the time away from work.

Maintenance personnel are provided FMC t-shirts and caps after having worked for a minimum of thirty (30) days. One (1) shirt will be provided for each day worked in a one week period and one (1) cap will be provided for each three (3) days worked and two (2) caps will be provided for those working a five day week. Employees are expected to wear this apparel while on duty and to maintain these uniform shirts and caps in as clean and presentable a manner as is possible. These uniform shirts may be replaced on an as-needed basis, with the Site Manager and District Manager's approval, not to exceed the maximum number per year (defined by maintenance personnel work schedule).

Consult your supervisor if you have questions as to what constitutes appropriate attire.

706 Return of Property

Effective Date: 9/1/1998

Employees are responsible for items issued to them by FMC or in their possession or control, such as the following:

- * petty cash fund
- * employee apartment
- * equipment
- * keys
- * manuals
- * pagers
- * protective equipment
- * tools
- * uniforms
- * written materials

All FMC property must be returned by employees on or before their last day of work. Where permitted by applicable laws, FMC may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. FMC may also take all action deemed appropriate to recover or protect its property.

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707 Employees on Property

Effective Date: 2/3/2012

Employees will be held responsible for their actions and statements on property at all times, whether on duty or off. Employees are expected to conduct themselves at all times when on FMC property in a respectful and appropriate manner consistent with the FMC policies and in compliance with all Fair Housing and Equal Opportunity requirements. Any behavior, including verbal statements that compromise FMC relationships with other employees or residents may result in disciplinary action.

Employees that live on property are likewise responsible for maintaining compliance with the FMC policies at all times, even while off duty. Noncompliant behavior, including inappropriate statements, may result in disciplinary action up to and including loss of the apartment and/or position.

Employees living on property must remember that they are representing the company during business hours and during their off hours. Employees are not to socialize with residents on the property or off the property: this includes, but is not limited to: visiting residents' apartments or having residents visit the employee's apartment; dining, shopping or any other form of entertainment off the property with residents.

708 Resignation

Effective Date: 5/24/2002

Resignation is a voluntary act initiated by the employee to terminate employment with FMC. Although advance notice is not required, FMC requests at least 2 weeks' written resignation notice from all employees.

If an employee does not provide advance notice as requested, the employee will be considered ineligible for rehire.

During that two weeks time, no time off will be granted. FMC considers that a transition time.

710 Security Inspections

Effective Date: 9/1/1998

FMC wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, FMC prohibits the possession, transfer, sale, or use of such materials on its premises. FMC requires the cooperation of all employees in administering this policy.

Desks, lockers, and other storage devices may be provided for the convenience of employees, but remain the sole property of FMC. Accordingly, they as well as any articles found within them, can be inspected by any agent or representative of FMC at any time, either with or without prior notice.

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FMC likewise wishes to discourage theft or unauthorized possession of the property of employees, FMC, visitors, and customers. To facilitate enforcement of this policy, FMC or its representative may inspect not only desks and lockers but also persons entering and/or leaving the premises and any packages or other belongings. Any employee who wishes to avoid inspection of any articles or materials should not bring such items onto FMC's premises.

712 Solicitation

Effective Date: 12/12/2012

FMC limits solicitation and promotion on its premises because, such activities can interfere with the normal operations of the company, can be detrimental to efficiency, can be annoying, and can pose a threat to security.

Employees and non-employees are prohibited from soliciting funds or signatures, conducting membership drives, posting, distributing literature, offering to sell or purchase merchandise or services or engaging in any other solicitation, distribution, promotion, fundraising, or similar activity on FMC premises or off FMC premises during working time.

Solicitation is the promotion or sale of products, merchandise or services for the benefit or profit of the individual or the organization, or company represented by the individual regardless of whether it is for profit or not for profit and includes general fund raising for charitable purposes. Promotion includes the distribution of advertising materials, emails, postings in the workplace and telephone solicitation.

Bulletin boards are reserved for official organization communications on such items as:

- * Affirmative Action statement
- * Workers' compensation insurance information
- * State disability insurance/unemployment insurance information

714 Drug Testing

Effective Date: 2/1/2010

FMC is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. To help ensure a safe and healthful working environment, job applicants and employees may be asked to provide body substance samples (such as urine and/or blood) to determine the illicit or illegal use of drugs and alcohol. Refusal to submit to drug testing may result in disciplinary action, up to and including termination of employment.

Copies of the drug testing policy will be provided to all employees. Employees will be asked to sign an acknowledgement form indicating that they have received a copy of the

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drug testing policy. Questions concerning this policy or its administration should be directed to the Human Resources Manager.

See Florida Drug Free Workplace Policy following this section.

716 Progressive Discipline

Effective Date: 9/1/1998

The purpose of this policy is to state FMC's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

FMC's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with FMC is based on mutual consent and both the employee and FMC have the right to terminate employment at will, with or without cause or advance notice, FMC may use progressive discipline at its discretion.

Disciplinary action may call for any of four steps -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed.

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to termination of employment.

FMC recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.

While it is impossible to list every type of behavior that may be deemed a serious offense, the Employee Conduct and Work Rules policy includes examples of problems that may result in immediate suspension or termination of employment. However, the problems listed are not all necessarily serious offenses, but may be examples of unsatisfactory conduct that will trigger progressive discipline.

By using progressive discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and FMC.