



EMPLOYEE PERSONNEL HANDBOOK

January 2022

**5860 N Mesa St, Ste 107
El Paso, TX 79912
(915) 532-8900**

**1718 N Zaragoza, Ste B-1
El Paso, TX 79936
(915) 771-8900**

INTRODUCTION

Welcome to Sun Travel

Welcome! Sun Travel will be referred to in this manual as “Sun Travel” or the “Company.” We are in business to provide professional, quality services within the travel industry, and to earn a fair profit on the sales of these services. We also strive to provide superb compensation and working conditions for our employees and view the success of our staff as the measuring stick of the success of our company. We intend to build on our strong record, and we expect to be proud of the achievements of our employees who help us maintain our outstanding reputation. Although the future inevitably presents new challenges, we can meet them by working together and by continuing to provide our clients with first-rate service.

To realize our aspirations, it is important that we communicate openly and frequently. At Sun Travel, we have an “open door” policy. Our employees are encouraged to present and discuss their questions, ideas, grievances and suggestions with any of our management team members. We hope that you will take advantage of our policy and share your thoughts with us.

This organization is an equal opportunity employer and will not discriminate against any employee or applicant for employment in any manner that violates the law. It is our goal to initiate and promote equal opportunities for all. Again, welcome to our Company, and thank you for joining us. We hope that this is the beginning of a long, pleasant, and mutually beneficial relationship.

Purpose of Handbook

This handbook has been prepared and distributed in keeping with our desire to maintain effective communication with our employees. Portions of our handbook contain language that may seem formal and contrary to the informal atmosphere here at the Company. We hope that you will recognize that this is largely due to our efforts to be clear and concise, and because we are attempting to be consistent with certain guidelines. Please read the handbook carefully. If you have any questions or do not understand any part contact your supervisor for clarification.

Our handbook is not a contract. Its purpose is to describe some of the Company’s general philosophies concerning various matters such as benefits, policies, practices, and procedures. It also contains rules regarding employee conduct, which we believe must be observed if we are to work together as a successful team. The benefits, policies, procedures, practices, and rules described in this handbook supersede all prior oral and/or written policies, procedures, practices, rules, and commitments of the Company. Of course, the handbook does not discuss every matter that may arise or concern employees. Those matters not covered in this handbook will be dealt with as they arise. As has been our custom, all wages, benefits, policies, procedures, practices, and rules of the Company may be interpreted, changed, improved, added to, reduced, or eliminated by the Company at any time. If changes are made, we will notify those employees whom the changes affect.

All representations by any manager or other employee of the Company that conflict with any material set forth in this handbook are invalid unless specifically agreed to in writing by the Company's President.

The Company may update this handbook from time to time, and may circulate additional or replacement pages for inclusion in the handbook. It is your responsibility to keep your handbook current. Additional pages or replacement pages are effective as of the date distributed by the Company.

History and Organization of Sun Travel

Sun Travel was established by Helen Semple and Margie Brumbelow in July 1965 as a small business to support the University of Texas at El Paso (then Texas Western). Margie was the wife of former UTEP football coach, Mike Brumbelow. There were originally eleven stockholders including Helen and Margie. Helen's daughter, Justine Coleman, joined the company in 1972 and Helen Semple became majority stockholder in 1984.

Justine was named President in 1980 and became majority stockholder in 1988. Justine's husband, Duane Coleman, joined Sun Travel in 1989 and her son, Paul Coleman, joined in 1994.

An eastside location was opened on Hawkins in 1996 and moved further east to Zaragoza in July 2019. Paul became President in 2006 and Paul's wife, Kathleen, joined Sun Travel in 2009.

Our Company is organized around several different functions as follows:

Travel Advisors: These employees are responsible for all of our customer reservation bookings. Our employees performing these services are either house or "inside-sales" or "outside-sales" agents or independent contractors. They also handle all customer service issues that arise, but may turn to management for further support on issues they cannot resolve on their own.

Support Staff: These employees provide support services to reservation agents including computer and IT support, phone support, back office systems support, assistance with vendors, filing and general office organization. These employees are responsible for keeping all of our books, handling accounts receivable, providing assistance with commission collections and past due notices, all payroll matters, dealing with the airline debit memos and customer refunds, and developing our performance and control reports. They are also responsible for purchasing and must approve all requests to commit the company to a purchasing of materials or services. This department also handles our personnel matters, including the benefits programs.

Some of the material included in this manual does not directly apply to outside sales personnel that have 1099 Independent Contractor (IC) status with Sun Travel. These IC's will set their own hours and may not participate in certain benefit programs such as paid vacations and paid holidays.

We sincerely want to make this a great place to work so that we can attract and retain talented people. We seek to treat our employees the way we expect them to treat our customers: fairly, honestly, and professionally.

HOURS OF WORK AND PAY

Employee & Independent Contractor Categories

We have the following basic groups of workers at our company:

- Full-time—A full-time employee is any employee who is regularly scheduled to work 40 hours or more per week. (Full-time hours)
- Part-time—A part-time employee is any employee who is regularly scheduled to work less than full time hours.
- Non-exempt – All employees considered non-exempt under the Fair Labor Standards Act (hourly employees) who will be paid at the rate of time and one half (1-1/2 times their regular rate of pay) for all hours worked in excess of 40 in one week.
- Exempt—All employees considered “exempt” under the Fair Labor Standards Act (salaried employees) are not compensated for overtime. They are paid for work performed rather than hours worked and are expected to work the required number of hours to complete their assigned duties.
- Outside sales agent—All employees who are compensated based solely on commissions earned as opposed to hourly or salaried employees. Outside sales agents have their own clients, but are still employees of the company.
- Independent Contractors—Have separate IC agreements to provide services to The Company, receive a 1099 and not a W2. Terms of the working relationship with The Company are governed by an IC agreement and not by this Employee Handbook.

Orientation Period

There will be an orientation for all new employees for the first 90 days of employment following an employee’s most recent date of hire. During the orientation period, an employee may have an opportunity to learn about matters such as the responsibilities and requirements for his or her position and the nature of the Company’s philosophy and goals with the respect of various matters. At the same time, The Company will have an opportunity to observe the employee and evaluate fitness, reliability, responsibility, attitude and potential for making a contribution to the Company. After 90 days of orientation, the employee’s immediate supervisor will typically conduct a brief performance review advising the new employee of his or her successful completion of the orientation period or an extension thereof.

Immigration Law Compliance

The company is committed to employing only United States citizens and authorized aliens. We comply with the Immigration Reform and Control Act of 1986. As a condition of employment, each new employee must complete, sign and date form section I-9 within three business days of

your first day of work. You must provide documentation proving your identity and your eligibility to work in the United States. This form must be completed again every three years by any authorized alien working for the company.

Performance and Wage Evaluations

We seek to attract and retain highly competent and motivated employees. We believe that sound wage administration is vital to accomplishing this objective. Among the things necessary to achieve this aspiration are superior services, satisfied customers and increased sales at a profit. Attendance and attitude are also key requisites to superior client service. We try to advise our employees of their performance progress and of any aspects of their performance which need improvement. Employees are generally reviewed as described below. We also welcome employee's inquiries regarding their progress.

1. New Employees: Generally, each new employee will be given a performance review by his or her supervisor after the 90-day orientation period.
2. All other employees: Generally, all employees will be given annual performance reviews by their supervisor or general manager around the end of the year.

Hours of Work

Unless otherwise designated by the Company, the usual work week for employees will consist of 40.0 hours. The typical workday will consist of 9 hours in a regular shift, including an unpaid meal period of one hour. The company is open six days a week, Monday through Thursday 8:00 am to 6:00 pm, Friday 8:00 am to 5:30 pm and Saturday from 9:00 am to 1:00 pm. Employees scheduled to work on Saturdays are required to take off 4 hours during the week of the Saturday worked.

Of course, nothing in this handbook is meant to guarantee employment or a specific number of hours of work for an employee or that any employee is guaranteed specific work hours.

Scheduling, Recording of Hours Worked, Attendance and Tardiness

Because every position at our Company is important and contributes to a team effort, attendance is extremely important. We need to also have confidence that each employee will be at his or her workstation when the workday for each of him or her begins. Therefore, our employees must be at work unless unusual circumstances or planned absences (e.g. vacation) require otherwise. If you are going to be absent or late, please call your supervisor in advance of your scheduled start time. It is the responsibility of each employee to know how to contact his or her supervisor.

If you are going to be absent from work due to illness, you need to report your progress toward recovery. The Company may require any employee that is absent due to illness to verify to the Company's satisfaction the nature of that illness. The Company may also require a doctor's release for any employee that has been absent for 3 or more consecutive work-days.

The Company will make every effort to schedule employee work hours bearing in mind the wishes of its employees and their personal schedules. Scheduling preferences will be given based upon performance, attendance, seniority, and attitude as determined by the supervisor. Attendance and attitude are very important factors as noted herein. Employees exhibiting poor attendance, tardiness, or poor attitude place their employment at risk. The Company will make every effort to hire and promote employees whose scheduling wishes complement more senior employees in an effort to minimize scheduling conflicts.

Timekeeping For Non-Exempt Employees

Non-exempt employees must record all hours actually worked through the online time tracking portal. "Hours worked" means all time spent performing your duties as a Sun Travel employee. Meal periods and time spent away from work for personal reasons do not count as hours worked. You must record the time you begin your meal period and the time you return from your meal period each workday.

Each non-exempt employee is responsible for his or her own time records. Falsification of time records is a serious offense and will be dealt with accordingly. Sun Travel expects scrupulous honesty from all of its employees.

Overtime and Pay

Sun Travel may ask employees to work overtime. When requiring overtime, Sun Travel will make sure that the overtime is distributed equitably among qualified workers and offered first to employees who are willing to work the extra assignments if circumstances warrant such action. Overtime, as defined by applicable federal and state laws, will be compensated in accordance with such laws.

Any paid or unpaid time off work is not counted for purposes of determining whether overtime pay is due. For example, if you take Monday off by utilizing paid time off (PTO) and then work 8-hour days Tuesday through Saturday, you will be paid for 48 hours at your regular straight-time rate and your available PTO will be reduced by 8 hours.

To operate effectively, Sun Travel must be able to predict and control the costs of doing business. Although Sun Travel will always pay its employees in accordance with applicable laws for hours actually worked, the unauthorized working of more than your normal scheduled hours is prohibited. If you believe you will have to work more than your normal scheduled hours, and your supervisor has not told you that overtime is authorized, you should obtain permission from your supervisor or, if your supervisor is unavailable, someone higher in your vertical reporting structure. Only in rare circumstances will it be impossible to obtain permission in advance of working more than your normal scheduled hours.

Unless otherwise designated by the Company, our pay period is semimonthly on the 15th and last day of the month. The semi-monthly pay schedule is made up of 24 pay periods per year.

Payroll checks are done through direct payroll deposit in the financial institution accounts of your choice.

To begin automatic payroll deposit, complete and submit a Direct Deposit Authorization form to Human Resources. After you deposit authorization is received, it may take up to two pay periods before your paycheck is deposited directly into your account.

Salary Deductions and Withholding

The Company will withhold the following from your paycheck:

Taxes

Federal, state and local taxes, as required by law, as well as the required FICA (Social Security and Medicare) payments.

Insurance

Your contribution to health insurance or other insurance premiums for yourself and any eligible family members or to other contributory benefit programs.

Other Deductions

Other deductions which you authorize, including flexible spending account (FSA) contributions, disability insurance.

Wage Garnishments

A wage garnishment is an order from a court or a government agency directing the Company to withhold a certain amount of money from an employee's paycheck and send it to a specified person or agency. Wages can be garnished to pay child support, spousal support, tax debts, outstanding student loans, or money owed as a result of a judgment in a civil lawsuit. If Sun Travel is instructed by a court or government agency to garnish an employee's wages, the employee will be notified of the garnishment at once. Sun Travel is legally required to comply with these orders.

Inclement Weather

The Company is open for business unless there is a government-declared state of emergency or unless you are advised otherwise by your supervisor. There may be times when we will delay opening, and on rare occasions, we may have to close. Use common sense and your best judgment when traveling to work in inclement weather.

In the event that the Company's facilities are closed by the Company or the government, employees will be paid for the day. If the Company's facilities are open and you are delayed getting to work or cannot get to work at all because of inclement weather, the absence will be charged to (1) paid time off (PTO) or (2) unpaid time off, in that order. You should always use your judgment about your own safety in getting to work.

When severe weather develops or is anticipated to develop during the day and a decision is made by the Company to close before 6:00 pm, you will be compensated as if you had worked to the

end of your regularly scheduled hours for that day. If you elect to leave prior to the time the Company closes, you will be required to use paid time off (PTO) in an amount equal to the number of hours between the time you left and the time the office closed.

Outside Employment

Employees may hold outside jobs as long as those jobs do not conflict with employment at Sun Travel and/or create situations that lead to diminished performance. Any employee holding another job, part-time or full-time must inform their supervisor. If Sun Travel determines in its opinion that the other work conflicts with the employee's work at Sun Travel, that employee may be asked to terminate this outside employment if he or she wishes to continue working at Sun Travel.

Under no circumstances will an employee be permitted to work for another travel agency or travel agent or other outside employment that constitutes competition and/or a conflict of interest. Employees may not receive any direct or indirect compensation from clients, vendors, individuals or organizations outside of the Company for work as an employee of the Company without the written approval of management. Employees that accept any such direct or indirect compensation as described above are subject to immediate termination for cause.

BENEFITS

Paid Time Off (Vacation Time / Sick Time / Personal Time)

Rather than allocating employees separate amounts of time off for sick, vacation, and personal days, the Company provides Paid Time Off (PTO) to give employees greater flexibility to meet their personal needs. Eligible employees will accrue PTO days each year to use however they want, up to a certain amount each year. The amount of PTO earned will depend on your length of service with the Company. The Company may require you to use any accrued PTO during unpaid family and medical leave, or any other leave of absence, subject to applicable laws and regulations.

Please note that this policy does not replace the Company's holiday schedule and employees will continue to have designated paid holidays each year in accordance with this section.

PTO Eligibility & Accrual

Employees begin accruing PTO when they first begin work for the Company. Employees may use their PTO at any time after the first 6 months of employment.

Full-time employees earn PTO as follows:

Year of Service	Time Off
6 months of employment	Thirty-four (34) hours
After 1 year of employment	One hundred two (102) hours
2nd through 10th year of employment	Seventeen (17) days
11th through 24th year of employment	Twenty-two (22) days

25th year of employment

Twenty-five (25) days

Employees earn their annual PTO benefits on a *pro rata* basis. Employees must use their PTO by the end of the first full calendar month following their year-end anniversary date, or it is forfeited. Any such forfeited PTO will not be carried over to subsequent anniversary years, and will not be paid out at anniversary year-end or upon an employee's termination from the Company. PTO requests are to be submitted to your supervisor for approval as far in advance as possible, PTO requests for three or more consecutive days off require a minimum of one month's notice so that the Company may have sufficient time to plan for the employee's absence. Upon termination, employees will only be paid for their earned, but unused, PTO as of the termination date.

Holidays

The Company celebrates and will ordinarily be closed for business on the following holidays:

New Year's Day
½ Day Good Friday (Close at noon)
Memorial Day
Independence Day
Labor Day
Thanksgiving
½ Day after Thanksgiving (Close at noon) *See note
½ Day Christmas Eve (Close at noon)
Christmas Day
½ Day New Year's Eve (Close at noon)

If the holiday falls on a weekend, the approved national weekday will be regarded as the holiday.

*Note-Employees working from 8 to 12 on the day after Thanksgiving are entitled to ½ day off during December.

Familiarization Trips

The purpose of familiarization (FAM) trips is to increase sales and improve knowledge of an area or product. Travel suppliers may provide reduced rates, professional courtesies, familiarization trips and other "perks" to individuals promoting travel through employment at Sun Travel. As a Sun Travel Employee, your first-hand experience will make you a more productive and knowledgeable agent. Traveling yourself is an integral part of your success in promoting travel. Eligibility requirements and guidelines for attending are discussed below.

Sun Travel employees must be aware that they are acting as representatives of Sun Travel and must conduct themselves and dress in a professional manner at all times. FAM trip participants will be expected to attend ALL functions while on the FAM trip and may forfeit any future

opportunities to participate in FAM trips if they do not live up to the expectations of both Sun Travel and the vendor.

FAM trips are *always* assumed to apply to the Company, rather than to an individual or a particular department. Although FAM trips may be offered to a specific office or individual, it will be Sun Travel's policy to treat these trips as offers to the Company, as a whole. Specific invitations will certainly be given due consideration; but every employee should be aware that it is management's decision, not an airline's or tour operator's decision as to who will travel, and when.

FAM travel opportunities *must always be directed to agency managers*, if offered to a consultant. Whether the Company will approve a FAM trip request, and to whom that request may be granted, will be determined by corporate management.

FAM trip opportunities will be communicated by management to all staff via email. Active selling agents will have priority since the vendor will expect an increase in sales based on the opportunity. Sun Travel may supply details to the vendor on past sales activities if requested by the vendor for final approval of FAM participants. Active selling agents that have not attended a FAM trip in the past 12 to 24 months will be given priority so that opportunities may be shared equally.

Sun Travel will cover an amount up to 10% of your average monthly invoiced commissions for the previous year toward a FAM's expense and allow five (5) days of FAM vacation per year under the following conditions:

- Employee has been continuously employed a minimum of six (6) months
- Agent is up to date on all 10x5 call requirements for the last 6 months
- FAM provider is a preferred Signature or Sun Travel supplier.
- FAM trip request is accompanied by supporting information from Supplier along with a list of clients who might be interested in same trip.
- Within 30 days of return, Agent completes post-trip evaluation and shares with all staff via an in-person presentation at an existing office wide staff meeting or a written FAM trip evaluation distributed via email to all.
- Employee works continuously for one year following date of paid FAM trip. Employees leaving Sun Travel employment within one year will be expected to pay back Sun Travel for the amount of FAM Trip paid by Sun Travel.
- FAM dollars are valid for one year and do not carry over.

Long Term Disability

Unfortunately, the Company currently does not offer Long-Term Disability insurance.

Leaves of Absence

The Company recognizes that, from time to time, circumstances may make it necessary for some employees to be absent from work for certain reasons. Accordingly, as outlined below, the Company has certain types of leave available for employees.

Personal Leave

An employee with a good work record may be granted a personal leave of absence, without pay, for up to 1 month in any one calendar year. An employee should make a written request to management stating the reason for leave and the beginning and ending dates. Employees will be required to take their earned and unused paid time off (PTO) as part of their personal leave. Extension of personal leave may be granted or denied at the discretion of the Company. All Company benefits shall cease during the period of time the employee is on personal leave. However, an employee may maintain his or her group health and life insurance benefits then in effect if he or she pays the Company the full cost of such insurance benefits for the period of the personal leave. All employee requests for personal leave will be reviewed on a case by case basis.

Maternity Leave and Medical Leave

Employees, who are temporarily disabled and unable to work due to a temporary medical condition, including a disability due to pregnancy-related medical condition, may be granted a medical leave of absence, without pay, for the period of time which shall not exceed 3 months. Employees will be allowed to take their earned and unused PTO as part of their medical leave if requested.

To obtain a medical leave an employee must submit a letter from a duly-licensed health care professional to management as soon as the employee learns that he or she is or will become temporarily disabled and unable to work due to a medical condition. The letter must state the reason for the requested medical leave, the date the medical leave should begin, and the date the employee will be able to return to work. If an employee is granted a medical leave, the permission to be on medical leave will end on the date specified in the letter (or any approved extension date.)

In accordance with applicable law, the Company may require additional proof of disability for an employee requesting medical leave (or any extension thereof,) including, at its expense, requiring any such employee to be examined by a health care professional designated by the Company.

Before an employee will be permitted to return to work from a medical leave, an employee must furnish the Company with a release from a duly licensed health care professional. The release should include any applicable work restrictions and/or limitations the employee may have. The Company may require additional proof of recovery from an employee seeking to return from medical leave, including, at its expense, requiring any such employee to be examined by a physician designated by the Company.

Maternity leave will be granted for a period of up to three months and will be treated similar to a medical leave.

All Company benefits shall cease during the period of time an employee is on medical leave, except for an employee's group health and dental insurance benefits. The Company will continue to pay its portion of health and dental insurance premiums for a period of at least six months. Any health or dental insurance payments that the Company pays or advances on behalf of the employee, that would otherwise be the responsibility of the employee, will be subject to reimbursement to the Company by the employee.

This policy will be administered in accordance with the American with Disability Act ("ADA"), including any employee requests for leave of absences as reasonable accommodations under the ADA.

Return from Authorized Leaves of Absence

An Employee shall not return from a leave of absence before the end of leave time as granted, without the prior authorization of the Company. Except as otherwise provided by applicable law, the Company does not guarantee that the position of a person who has been granted an authorized leave of absence will be held open for that person. However, the Company will endeavor to place a person in the same or substantially equivalent position when he or she returns to work. Refusal of an individual to accept a position offered to him or her by the Company may be deemed to be a voluntary resignation by that individual. The failure of an individual to return from the authorized leave on the designated date may be deemed to be a voluntary resignation by that individual.

Employees may not engage in other employment or business or apply for unemployment benefits while on an authorized leave. Except as may be provided by applicable law, employees who return from an authorized leave will retain all benefits they had earned or accrued at the commencement of their leave, but they shall not earn or accrue any benefits, including PTO, holidays, or seniority while they are on leave.

Military Leave

The leave of absence and re-employment rights of employees who enter the military service will be determined on the basis of applicable laws and regulations.

Jury Duty

If a full-time salaried and/or hourly employee is required to serve on a jury, the Company will continue his or her benefits and regular compensation, less any compensation received from serving on jury duty. If you must be absent from work due to jury duty, please advise your supervisor with as much notice as possible and provide a copy of your jury summons.

Voting

Employees who are entitled to vote at a general or special election or at any election at which propositions are submitted for a popular vote in their respective state of residence are encouraged to vote early or late if there is sufficient time to do so. If voting at those times is not possible, employees are entitled to leave work for a period of up to two hours between the time of opening and closing of the polls. A request for time off must be submitted by the employee to his or her supervisor prior to the day of the election. Your supervisor may determine the actual hours that you may leave to vote. You will be paid for any hours not worked, but these hours will not be counted towards overtime.

Bereavement Leave

Employees will receive up to 3 days of paid time off in the event of the death of a member of their immediate family. Immediate family includes spouses, domestic partners, children, parents, parents-in-law, brothers or sisters, and brothers-in-law or sisters-in-law. You are allowed 1 day of paid leave in the event of the death of an extended family member. Extended family includes grandparents, aunts and uncles, and other more distant relatives.

Family and Medical Leave Act Benefits

The Family and Medical Leave Act (FMLA) gives eligible employees the right to take unpaid leave for up to 12 weeks within a 12-month period of time because of certain family and medical events. If you have been employed by Sun Travel for at least 12 months, and you have worked at least 1,250 hours during the 12-month period preceding the leave, and if there are at least 50 employees employed by Sun Travel within 75 miles, you are eligible for family and medical leave. Sun Travel will also comply with any applicable state laws related to family care leave. Unless otherwise provided by law, FMLA leave will run concurrently with all other federal, state and local leave laws.

1. Qualifying circumstances – If eligible, you will be granted FMLA leave upon request (a) for the birth of a child, and to care for the newborn child; (b) for the placement with you of a child for adoption or foster care; (c) to care for your spouse or child (under age 18 or older if incapable of self-care because of mental or physical disability) or parent with a serious health condition; or (d) because you have a serious health condition that makes you unable to perform the functions of your job.

A “serious health condition” is an illness, injury, impairment or physical or mental condition that involves one of the following:

- Inpatient care: in a hospital, hospice or residential medical care facility, including any period of incapacity or subsequent treatment in connection with or consequent to such inpatient care.
- Absence plus treatment: a period of incapacity of more than three consecutive calendar days (including any subsequent treatment or period of incapacity relating to the same condition) that also involves continuing treatment by a health care provider.
- Pregnancy – any period of incapacity due to pregnancy or for prenatal care.
- Chronic condition requiring treatments: one that (a) requires periodic visits for treatment by a health care provider, or by a nurse or physician’s assistant under direct

supervision of a health care provider; (b) continues over an extended period of time (including recurring episodes of a single underlying condition); and (c) may cause episodic rather than a continuing period of incapacity.

- Permanent/long-term conditions requiring supervision: a period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective and for which the individual is under the continuing supervision of a health care provider.
- Multiple treatment (non-chronic conditions): any period of absence to receive multiple treatments (including any period of recovery) by a health care provider either for restorative surgery after an accident or other injury or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.
- Any qualifying exigency (to be determined by regulations) “arising out of the fact that a spouse, son, daughter or parent of any employee is on active duty or notified of impending call or order to active duty in the armed forces in support of a contingency operation.”
- Service member family leave: “an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered service member shall be entitled to a total of 26 workweeks of leave during a 12-month period to care for the service member. During the single 12-month period, any eligible employee shall be entitled to a combined total of 26 workweeks of leave.”

2. Requests for leave – If you are eligible for and desire FMLA leave, you need to notify your supervisor at least 30 days prior to the effective date of the leave. If the leave is an emergency and/or 30 days notice is not possible, then notice shall be given as soon as practicable.

3. Medical certification – For leave due to a serious health condition, medical certification of the need for the leave must be provided within 15 calendar days after it is requested or as soon as practicable. The Company may require, at its expense, that you obtain the opinion of a second health care provider selected by the Company. If the two medical opinions conflict, the Company may require a third opinion. The Company may also request that you provide, on a periodic basis, medical evidence establishing the necessity for continued leave. If you do not provide medical certification, or periodic medical evidence establishing the necessity for continued leave, or refuse to obtain the opinion of a second or third health care provider, the leave of absence may not be approved or may be canceled. Where leave is caused by your own serious health condition, medical certification that you can return to work will be required.

4. Length of leave and use of PTO – If you are eligible, you may take up to 12 workweeks of leave in any 12-month period measured backward from the date leave is first used. You must use available PTO as part of the family and medical leave time. When your PTO is exhausted, the leave becomes unpaid. For example, if you have 5 days of PTO remaining and you take a full 12 weeks of family and medical leave, the first week will be paid and the remaining 11 weeks will be unpaid. Where verified by supporting medical evidence, leave may be taken on an intermittent (non-consecutive workday), reduced workday or reduced workweek basis.

5. Benefits during leave – While on leave, you will be allowed to continue in applicable health and benefit plans provided that any normally required employee contributions are made during the period of leave. If you do not return to work at the conclusion of the leave, you will be required to reimburse Sun Travel for the cost of continued health care coverage (as allowed by the FMLA) during any unpaid portion of the leave (excluding the administration costs allowed for by COBRA).

6. Return to work – Upon completion of FMLA leave, you will be reinstated to the position you held at the time your leave began or, if unavailable, to an equivalent position with equivalent pay, benefits and other terms and conditions of employment. As your return date nears, you must contact your supervisor to discuss details concerning that return.

Group Health Insurance

Overview

Sun Travel will pay a portion of the group health insurance cost on behalf of each permanent, full-time employee (outside sales agents may elect insurance but are not eligible to receive the monthly contribution). Half of the deduction will be made on the 15th and last day of each month through payroll deductions and will be on a pre-tax basis. Employees may elect to obtain coverage for their spouse and/or dependents at their own expense.

Currently, the Company offers three different health plans from which the employee can choose. Employees are eligible for insurance coverage on the first day of the month following the first 60 days after the employee is hired. Insurance coverage will terminate on the first day of the month following termination of an employee's employment with the Company, unless the employee elects continuation coverage. The details of Sun Travel's group insurance program are outlined in the Provider's Group Insurance summary plan description booklet, which is supplied to employees (whether in print or online via the internet) at the time of their enrollment in the Plan. In the event of any conflict between this handbook and/or the booklet and/or the Plan document concerning the Company's group health insurance program, the Plan document shall control.

Annual Renewal

This health care benefit is an annual program as is the Company's participation in its offer to pay a portion of the premiums charged by the insurance carrier. The company reserves the right to discontinue its contribution upon 30 days notice of the anniversary date of the policy (i.e. December 1st of each year.)

Continuation of Coverage (COBRA)

IMPORTANT NOTICE REGARDING HEALTH CARE COVERAGE CONTINUATION RIGHTS: On April 7, 1986 a federal law was enacted [Public Law 99-272, Title X]. This law requires that most employers sponsoring group health plans offer employees and their families

the opportunity for a temporary extension of health coverage (called “continuation coverage”) at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you in a summary fashion of your rights and obligations under the continuation coverage provisions of the law. Both you and your spouse (if any) should take the time to read this notice carefully.

If you are an employee of the Company covered by Group Health Insurance, you have a right to choose this continuation coverage if you lose your group health because of a reduction in your hours of employment or the termination of your employment. If you are the spouse of an employee covered by Group Health Insurance, you have a right to choose continuation coverage for yourself if you lose group health coverage under Group Health Insurance for any of the following reasons:

1. The death of your spouse.
2. Termination of your spouse’s employment or reduction in your spouse’s hours of employment.
3. Divorce or legal separation.
4. Your spouse becomes eligible for Medicare.

In case of a dependent child of an employee covered by Group Health Insurance continuation can be selected if coverage was lost for any of the following five reasons:

1. The death of a parent.
2. Termination of a parent’s employment or reduction of a parent’s hours of employment with the company.
3. A parent’s divorce or legal separation.
4. A parent becomes eligible for Medicare.
5. The dependent ceases to be a “dependent child” under Group Health Insurance.

Under the law, the employee or a family member has the responsibility to inform the Company of a divorce, legal separation, or a child losing dependent status under Group Health Insurance. Supervisors have the responsibility to notify the Health Plan Administrator of the employee’s death, termination of employment, reduction of hours, or Medicare eligibility. When one of these events has happened, you will be notified that you have the right to choose continuation coverage. Under the law, you have at least 60 days from the date you would lose coverage because of one of the events described above to inform the Health Plan Administrator that you want continuation coverage. If you do not choose continuation coverage, your health insurance will end.

If you choose continuation coverage, then Sun Travel is required to give you coverage provided under the plan to similarly situated employees or family members. The law requires that you be afforded the opportunity to maintain continuation coverage for up to 18 months. Under some conditions this period may be three years. The law, however, also provides that your continuation coverage may be cut short for any of the following five reasons:

1. The Company no longer provides group health coverage to any of its employees.

2. The premium for your continuation coverage is not paid.
3. You become an employee covered under another group health plan.
4. You become eligible for Medicare.
5. You were divorced from a covered spouse and subsequently remarry and are covered under your new spouse's group health plan.

You do not have to show that you are insurable to choose continuation coverage. Under the law, however, you may have to pay all or part of the premium for your continuation coverage. (The law also says that at the end of the 18-month or 3-year continuation coverage period, you must be allowed to enroll in an individual conversion health plan provided under Group Health Insurance.)

If you have any questions about the law, please contact the Company. Also, if you have changed marital status, or you or your spouse have changed addresses; please notify your supervisor.

PLEASE REMEMBER THAT THE COMPANY HAS RESERVED THE RIGHT TO AMEND OR TERMINATE THE GROUP HEALTH INSURANCE PLANS AND ANY BENEFIT PROVIDED UNDER IT AT ANY TIME.

Health Care Flexible Spending Account (FSA)

The Company offers a health care Flexible Spending Account (FSA) that eligible employees can use to pay for certain out-of-pocket health care costs. Please refer to the health care FSA Summary Plan Description for an explanation of benefits and limitations.

Life Insurance

Eligible employees are automatically enrolled in a group term life insurance program. Enrollees may designate or change the beneficiary for this policy at any time. The Company pays the premium for this program..

Workers' Compensation Insurance

To provide for payment of your medical expenses and for partial salary continuation in the event of a work-related accident or illness, you are covered by workers' compensation insurance, provided by the Company and based on state regulations. The amount of benefits payable, as well as the duration of payments, depends upon the nature of your injury or illness. However, all medical expenses incurred in connection with an on-the-job injury or illness and partial salary payments are paid in accordance with applicable state law. If you are injured or become ill on the job, you must immediately report the injury or illness to the Human Resources Department. This ensures that the Company can help you obtain appropriate medical treatment. Your failure to follow this procedure may delay your benefits or may even jeopardize your receipt of benefits. Questions regarding workers' compensation insurance should be directed to the Human Resources Department.

Tuition Reimbursement

This policy applies to all full-time employees who have worked continuously for at least 12 months prior to the date of application.

The Company will reimburse a maximum of \$1,000.00 per year towards the cost of tuition and books upon an employee's successful enrollment in and completion of a graduate or undergraduate class relevant to furthering and enhancing an employee's skills in the completion of his or her job responsibilities under the following conditions:

- Pre-approval prior to enrollment is required each semester from the employee's immediate supervisor, designated manager, or the Human Resources Department for benefits to be paid.
- Employees are required to prepay the tuition and book fees subject to reimbursement. Upon successful completion of the course(s), receipts and grades must be submitted to the employee's immediate supervisor, designated manager, or the Human Resources Department within a reasonable period of time after the class has ended.
- Book fees will be reimbursed at a rate of 25% of the employee's out of pocket expense. Reimbursement will not include application fees, parking passes, travel or lodging costs, miscellaneous fees or expenses. The Tuition Reimbursement Program is intended to help reimburse employees for education expenses that they have paid from their own resources. It does not cover expenses underwritten by other forms of financial aid, including scholarships and fellowships. Only expenses not covered by other sources of financial aid are eligible for reimbursement.
- Employees must pass undergraduate and graduate course work with a grade of "B" or better, or its equivalent. Failure to do so will result in reimbursement being denied.
- Classes may not interfere with an employee's job responsibilities/duties and must be arranged around work schedules.
- An employee who quits or is terminated from employment before completing a class will not be eligible for reimbursement benefits.
- The completion of a course of study does not obligate the Company to reward such completion by promotion, transfer, reassignment and/or salary increase.

Retirement Plans

Currently, Sun Travel does not have a retirement plan in place for all of its full time employees. When a plan becomes available, details will be described in the Plan Documents that will be made available to all employees. In the event of any conflict between this handbook and statements by management the Plan document shall control.

Other Incentive Plans

The Company will use its best efforts to negotiate with airlines and other suppliers to obtain special travel bargains for its employees and sometimes their spouses or companions. The Company, understanding the rigors of working in a travel agency environment, strongly encourages vacations and has established this incentive plus a liberal vacation policy to encourage vacations. The Company further encourages employees to take diverse vacations in

an effort to increase your effectiveness with customers and improve your professional career in the travel industry.

Company management will review all special bargains and passes that it receives and notify all employees of the inventory that will be made available after some allocation to handle customer service problems. Management will make awards based upon the employee's performance, seniority, past award record, and attendance.

Helen Semple Award

From time to time, the Company will present the Helen Semple Award to express the Company's gratitude for extraordinary performance. These awards will be made based, in large part, upon management recommendations.

Termination of Benefits

Any and all rights and benefits provided to or for employees by Sun Travel shall be immediately extinguished upon termination of any employee's employment with the Company for any reason, except as provided herein. Any and all rights and benefits provided to or for employees by Sun Travel shall in no way be deemed to be or be construed to imply a contract or a guarantee of continuing employment with the Company or employment for a specific length of time.

Following termination of employment, former employees and certain family members may, in certain situations be able to continue health care coverage under the Company's group health insurance plan, provided that the employee or family member is willing to pay the monthly premiums.

PERSONNEL POLICIES

General Business Ethics

Sun Travel is committed to maintaining and building upon our reputation for integrity and excellence. This applies to both our internal operations and to our dealings with customers, vendors and other third parties. Sun Travel will comply with all applicable laws and regulations. We expect and require all employees to conduct business in accordance with all such laws and regulations and to refrain from any dishonest or unethical conduct of any kind whatever.

If you encounter a situation that raises uncertainty in your mind about whether something is legally or ethically proper, you should immediately address your concern with your supervisor and/or the Company's President.

Confidentiality of Information

The protection of confidential business information is vital to Sun Travel's success. Confidential information includes all information (including without limitation, trade secrets) relating to the

business operations of Sun Travel or the business of Sun Travel customers that is not publicly known. Sun Travel owns all right, title and interest in its confidential information. Such information must not be used for the benefit of any person or entity other than Sun Travel (or its customer in the case of information belonging to the customer), or disclosed or revealed to any third person or entity. These obligations apply to every Sun Travel employee both during and after employment with the Company. Upon termination of your employment with the Company, you must deliver to Sun Travel all originals and all copies of all documents, materials or media (whether in paper, electronic or other form) embodying or reflecting confidential information. You may, as a condition of employment, be required to execute a separate confidential information agreement.

Updating of Employee Information

We maintain employee records for several purposes, including for compliance with immigration law, for taxes, Social Security, insurance, and emergencies. For example, all applicants who are hired by the Company are required by law to provide the Company with documentary evidence acceptable to Immigration and Naturalization Service of their identity and eligibility for employment in the United States. If an applicant fails to furnish the evidence in accordance with the law, the company cannot hire that person or continue to employ the person if he or she has started working. To help us keep our records up to date, it is important that you notify your supervisor immediately of any change of the following information:

- Your name (whether by marriage or otherwise).
- Your home address
- Your home telephone number
- The number of your dependents
- You're withholding allowances as required by law.
- The names of the individuals to notify in case of an emergency, including their relationship to you and their home and work telephone numbers and addresses.

Use of Computers, E-mail and the Internet

Introduction

All electronic and telephonic communication systems (including, but not limited to E-mail, the Internet, smart phones or other handheld devices, computers, software, copiers, fax machines, telephones and voice-mail) and all communications and information transmitted by, received from, or stored in these systems are the property of Sun Travel and are made available to employees for the sole purpose of them performing their job responsibilities.

The use of any software and business equipment, including but not limited to, facsimiles, telecopies, computers, the Company's e-mail system, the internet, smart phones or other handheld devices and copy machines should be limited to Sun Travel business and for the performance of your duties as a Sun Travel employee. You should not retrieve or review messages or information not sent to you. Personal use of these resources must be kept to a minimum and must not interfere with the performance of your job at Sun Travel.

Further, Sun Travel's electronic and telephonic communications systems must not be used in any manner that is inconsistent with the policies set forth in the Employee Personnel Manual.

Software

Sun Travel frequently purchases licenses to utilize certain software. We do not own this software, and we may not have the right to use this software on more than one computer. Moreover, copied or downloaded files can cause virus infection. Under no circumstance should you copy or download software without first consulting with the Company's IT Dept. Manager or the Company's President.

E-mail

In addition to following Sun Travel's equal employment opportunity policy and policy against harassment, you should follow these rules with respect to the use of e-mail:

- Use e-mail in connection with Sun Travel business. If you want to communicate electronically on a more than infrequent basis with friends, family or acquaintances, including work colleagues, about matters not related to Sun Travel business, you should arrange to have an e-mail account outside of work.
- Do not send messages that are of a political nature, or that contain obscenities or derogatory or defamatory statements of any kind, whether about other Company employees, individuals outside the Company, or other businesses or organizations.
- You should assume that a permanent record is being made of every e-mail you send. Do not send any message that would reflect poorly on you or Sun Travel.
- If you are communicating about confidential property matters (for example, information that might be considered attorney-client privileged or concerning information not publicly known), or if you are attaching a document containing such information, send the communication only to recipients you know are authorized to receive the information and place an appropriate legend (such as "Confidential") at the beginning of your message.

Equal Employment Opportunity Issues

Sun Travel's equal opportunity policy and policy against harassment apply fully to use of the Company's electronic and telephonic communications systems. In this regard, employees are

not to utilize these systems (including but not limited to e-mail, the internet, smart phones or other handheld devices, instant messaging) to access, send, receive, download, or retrieve content (comments, words, jokes, innuendoes, gestures, pictures, cartoons, etc.) that may reasonably be deemed offensive because of race, color, religion, sex, sexual orientation, alienage, citizenship status, marital status, status as a veteran, national origin, age, handicap and/or disability.

Sun Travel Property and Monitoring of Employee usage

All electronic and telephonic communication system related resources provided by Sun Travel and all information stored in any way on or utilizing the Company's computers including, without limitation, the content of e-mails, is the property of the Company. As set forth in more detail below, Sun Travel reserves the right to tape, record, videotape, or otherwise monitor and control the use of such equipment information transmitted by, received from, accessed by or stored in the Company's computer system.

If you discover any material on Sun Travel's computer system or uses of Sun Travel's computers or computer related resources that you believe might be unauthorized or might constitute a violation of this policy, notify your supervisor.

No Expectation of Privacy

No employee should have any expectation of privacy in connection with the use of the electronic and telephonic communication systems or with the transmission, receipt, or storage of information on the electronic and telephonic communication systems and equipment. That means that, among other things, the Company may monitor and review employees' email and internet activity on the Company's computers and equipment.

Non-Discrimination and Anti-Harassment Policy

It is the policy of this Company that all employees have an opportunity to work in the environment free of discrimination, particularly discrimination against an individual because of his or her race, color, religion, sex, marital status, sexual orientation, national origin, age, handicap, political views or veteran status. Included in the Company's policy against discrimination is the Company's policy against harassment. The Company prohibits sexual harassment in any form (hereinafter called "Sexual Harassment") of its employees. Sexual harassment consists of unwelcome sexual advances, requests for sexual favors and other verbal, visual, and physical conduct of a sexual nature whenever: i) submission to the conduct is made either in explicit or implicit condition of employment; ii) submission to or rejection of the conduct is used as the basis for an employment decision affecting the harassed employee; iii) harassing conduct unreasonably interferes with an employee's work performance or creates an intimidating, hostile or offensive working environment. Sexual harassment can involve an almost infinite variety of conduct. Such examples include but are not limited to the following: i) unwelcome physical contact with sexual overtones; ii) sexually offensive comments such as slurs, jokes, epithets and innuendo; iii) inappropriate, repeated, or unwelcome sexual flirtations,

advances or propositions; iv) inappropriate or suggestive comments about another person's physical appearance, characteristics or dress; v) exchanging or offering to exchange any kind of employment benefit for a sexual concession, e.g., promising a promotion or raise in exchange for sexual favors; or vi) withdrawing or threatening the withdrawal of any kind of employment benefit for refusing to grant a sexual favor.

The Company also prohibits harassment relating to matters such as their race, color, religion, national origin, ancestry, marital status, sexual orientation, age, handicap, or veteran status (hereinafter called "Discriminatory Harassment"). The next section describes how to report harassment.

Reporting and Investigating Alleged Harassment: Employees who have complaints of Sexual Harassment, Discriminatory Harassment, or any grievance and/or problem should immediately report such conduct to their supervisors. If this is not appropriate, employees should report such conduct to the President of the Company. If an employee believes that any person to whom such a report should be directed is involved in or associated in any way with the alleged conduct or pattern of conduct, the report should be directed to a supervisor or management employee not so involved. This should include a request that the management employee immediately contact an appropriate management person to take responsibility for seeing that a fair and impartial investigation of the complaint is carried out. An investigation of the allegations will be made and to the extent practicable and appropriate, confidentiality will be maintained. If the investigation leads to a determination a complaint is well founded and true, appropriate corrective action will be taken.

It is our policy that no adverse action shall be taken against any employee for resisting or reporting Sexual Harassment or Discriminatory Harassment. Indeed, an employee's failure to avail himself or herself of the policies and procedures set forth above is a violation of Company policy, may result in the loss of an employee's opportunity to prevent or redress Sexual Harassment or Discriminatory Harassment, and may result in the imposition of discipline. If an employee believes that he or she has been retaliated against for resisting or reporting Sexual Harassment or Discriminatory Harassment, he or she should report such retaliation in the same manner as set forth for employees who have complaints of Sexual Harassment or Discriminatory Harassment. Retaliation is a very serious violation of Company policy that should be reported immediately should it occur.

Policy on Compliance with Antitrust Related laws and Confidentiality of Company Information

Background

The Antitrust and related laws were designed to preserve the American free enterprise system through the maintenance of competition that lies at the heart of our system. Any such violation of these laws may subject the individuals and the Company to heavy litigation expense, burdensome injunctions, severe penalties, and substantial liability for damage. Fine and imprisonment or both may personally punish any employee who participates in such a violation.

Compliance with the antitrust laws is a matter of good housekeeping. The Antitrust laws provide a broad system regulation of business and those engaged in business which may afford protection for the careful person. While we stay aware of those aspects of business that can lead to antitrust problems, and adjust our actions accordingly, problems can be avoided.

Company Policy

It is our Company's policy that each employee should obey the Antitrust and related laws. Pursuant to this policy, care must always be exercised to avoid any conduct which is or might be misinterpreted as an agreement or understanding with another party: (a) past, present, or future prices at which the Company or a competitor sold or will sell to his customers; (b) the level, terms, availability, timing, and duration of discounts or other promotions, whether generally, with a customer, or a class of customers; and (c) the names of customer and the levels of business which the company does with those customers or all customers.

It is important that each employee understand that it is against Company policy to have any discussions with or ask any questions of employees or other representatives of competitors regarding the competitor's activities in competition with the Company. Included among other things: (a) methods of distribution; (b) promotional policies or activities; (c) advertising; and (d) allowance or discounts policies. This is true even if the sole purpose of such a communication is to verify a customer's claim that a competitor is underselling the Company.

It is the policy of our company that if employees or other representatives of competitors attempt to have discussions with or ask questions of employees of the Company regarding pricing, promotions, or other matters involved with competition, the Company employees should decline to participate in any way. This policy is to be so strictly adhered to that should, for example, other competitors discuss matters such as pricing in the presence of a Company employee, the employee should not only decline to participate but also should immediately leave the room in which such a discussion is taking place.

Also, it is against Company policy to divulge any confidential information concerning the operations of the Company or client information with any client of the Company, or any person, firm, corporation, or any other entity, or to use any confidential information for one's own personal benefit.

Any violation of this policy or the occurrence of any action, which if participation by a company employee would result in a violation of this policy, should be immediately reported to your supervisor or upper management. It is the policy of the Company that whenever an employee has any doubt as to the legality of a proposed course of action or any doubt as to whether a proposed action, although legal may violate Company policy, the employee should raise such question with his or her supervisor. Where appropriate, the supervisor will consult with or be guided by the advice of Company legal counsel.

Every employee has the duty and the responsibility of complying with the above-stated policy. Any violation of these policies will result in disciplinary action including termination.

The Company expects every employee to comply with this policy and, as a condition of continued employment, reserves the right at any time and from time to time to require each employee to sign statements certifying his or her compliance with the above-stated Company Policy.

Drug and Alcohol Use Policy

Introduction

Sun Travel desires to establish and promote a cooperative, safe, and efficient working environment in which all of our employees can motivate themselves to achieve high levels of performance. Consistent with this desire is our goal to maintain a work place that is free from the devastating and sometimes the deadly effects of drug and alcohol use. Accordingly, the Company has a strong policy concerning drug and alcohol use which, among other things, prohibits the possession, sale, distribution, and use of “Intoxicants” on Company property unless it is a management approved function.

“Intoxicants” include but are not limited to alcoholic beverages, marijuana, narcotics, barbiturates, amphetamines, drugs, and any other controlled substances other than those taken under the direction and prescription of a duly licensed health care professional. Intoxicants also include legal drugs, whether or not taken under the direction and prescription of a duly licensed health care professional, to the extent that their ingestion is inconsistent with their prescription.

Fortunately, drug use and alcoholism are problems that a motivated individual should be able to overcome successfully. The Company will attempt to assist the drug or alcohol user in obtaining proper treatment and to advise him or her of available medical benefits. The Company will also endeavor to maintain confidentiality for any employee who approaches the Company seeking assistance for his or her drug or alcohol use. Please note that the Company is not interested in the social drinking habits of our employee’s private lives unless outside activities adversely affect the job performance.

All employees are expected to use good judgment and to understand that they represent the Company when attending a business related social function where alcoholic beverages are served. An employee’s behavior reflects directly on themselves as well as their employer. Any special Sun Travel functions must have the approval of a company officer if alcoholic beverages are to be served.

Any violation of the Drug and Alcohol Policy may result in disciplinary action, including termination.

Drug and Alcohol Use Policy Guidelines

In Keeping with our goal of a drug-free and alcohol-free workplace, we are issuing the following policy guidelines:

- a. Any employee who sells, distributes, or traffics in any Intoxicant on Company property will be subject to immediate dismissal.
- b. The Company will support, as best as possible, employees who have drug or alcohol abuse problem. Any employee who informs the Company of his drug or alcohol related problems will be encouraged to seek assistance for his/her drug or alcohol problem. If, however, an employee whose job performance is unsatisfactory due to drug or alcohol related problems and refuses to accept referral for diagnosis of the problem or to follow prescribed treatment, the employee will be subject to the Company's normal disciplinary procedures, including dismissal.
- c. It is the responsibility of each employee undergoing prescribed medical treatment with a controlled substance to ascertain from a duly licensed health care professional whether such treatment could affect their performance and/or safety of herself and others. If an Intoxicant could affect the employee's performance, the employee must immediately report this treatment to Human Resources.

The Company encourages all of its employees to take advantage of the opportunity to obtain assistance with drug and alcohol problems. If you know of any employee at the Company that would benefit from counseling or treatment, kindly encourage them as a friend and co-worker to seek assistance.

Work Environment

We endeavor to have a clean, comfortable, and safe working environment for all of our employees. We also take pride in our quality image. Your appreciation and care for the proper maintenance of both communal and individual work areas and equipment can enhance our working environment, and conducting yourself in a safe manner helps promote the safety of your fellow employees. Employees are expected to read, learn, and follow the safety rules contained in this handbook. Any accident, injury, or illness irrespective of size or significance must be immediately reported to your supervisor or other appropriate members of management.

Smoking Policy

The Company recognizes the potential safety and health hazards which smoking in the workplace may present. Accordingly, smoking is not permitted on Company premises at any time. Any employee who violates our no smoking policy may be subject to disciplinary action.

Security Policy

To help protect our employees, their property, and the Company's property and to help the Company maintain an orderly working environment the following security measures must be observed:

1. All visitors should enter through the reception areas and remain there until escorted into other areas by authorized personnel. The employee escorting the visitors should escort them back to the reception area when they have finished their visit.
2. The last person to leave the office each day should check to be sure that all equipment and machines, including copiers and coffee makers, are turned off and all doors are locked.
3. All employees are encouraged to prevent unattended visitors from walking around the office, (this includes former employees.) Only employees or visitors authorized by management will be allowed on the premises after five o'clock on weekdays and on weekends.

Emergencies

In case of an emergency immediately notify your supervisor. If your supervisor is unavailable immediately notify Company management. If none of the above persons are available and the situation requires immediate attention call 911 and request assistance.

Telephone Policy

It is our policy not to give out information regarding employees or clients over the telephone. When a caller requests such information, inform the caller of our policy, take down the caller's name and a message, and relay the message to your supervisor.

Sun Travel telephones are intended for business calls. Personal, local telephone calls should be kept to a minimum and should be as brief as possible. Employees may not make direct dial personal long distance telephone calls, nor should they use the company's inbound 800 number lines for personal business. Employees also may not call services such as time, information (directory assistance), weather, and sports report, which charge a fee for the calls. Similarly, if your job requires you to carry a cellular telephone and Sun Travel is paying for those charges, you should consider that telephone a business tool and follow the same guidelines presented above.

IMPORTANT NOTE: If you use a cellular telephone for Sun Travel business, do not conduct Sun Travel business on that telephone while operating a motor vehicle or doing anything else that requires your full attention to ensure your safety and the safety of others.

Mail Systems

Any employee who sends personal mail from the office, whether it's regular mail or via an overnight express carrier, must pay Sun Travel for the cost of postage, metering or any express carrier charges at the time it is mailed. Please make sure you receive all personal mail at home and not at the Sun Travel office.

Gifts/Donations

Employees shall not solicit or accept for personal benefit directly or indirectly any gift, loan, or other item of substantial monetary value (over \$25.00) from any person or company that is seeking to conduct or is currently conducting business with Sun Travel including without limitation, Sun Travel clients, Sun Travel travel vendors, independent travel agents or agencies working with Sun Travel. Meals and small items of a minimal value made available to all or substantially all employees on Company property (for example Sun Travel travel vendor supplied food).

Media Contacts

Although it is Sun Travel's policy to cooperate and communicate truthfully with the media, only employees specifically authorized to interact with the media may do so. This ensures that accurate, consistent, informed information is provided concerning those matters appropriate for public knowledge. In the unlikely event you are contacted by the media and requested to provide information, and you are not specifically authorized to interact with the media, you should (a) politely decline, (b) explain that providing information to the media is not part of your job, (c) offer to have someone else from the Company call the media member and (d) contact your Supervisor and provide all relevant information regarding the contact/request.

Appearance and Dress

We frequently have clients and other visitors visit our office. While the Company respects the individuality of our employees, a neat appearance and proper attire are important to the Company's ability to maintain a professional atmosphere and a favorable impression. Instead of specifying in detail what the Company considers to be appropriate appearance and attire, we believe that our employees have common sense and maturity to maintain a professional and clean appearance, to dress in clothing which is tasteful, clean, neat and appropriate to their duties, and to avoid wearing overly strong perfumes or colognes. Please ask your supervisor if you would like more guidance or have questions. Fridays will remain our "Casual Dress Day." Casual means clean jeans and shirt; however, shorts and tank tops are not considered good office taste and should not be worn.

Work Space

Employees are responsible for maintaining the workspace assigned to them. A clean, orderly workspace provides an environment conducive to working efficiently. Employees should keep in mind that their workspace is part of a professional environment that portrays the Company's overall dedication to providing quality service to its clients. Therefore, your workspace should be clean, organized and free of items not required to perform your job. Eating meals at your desk is not allowed.

Personal Property

Any personal property which an employee brings onto Company property is brought at the employee's own risk, and the Company assumes no liability or responsibility.

The Company expects its employees to treat other employee's personal property with respect. The company will not tolerate theft of another person's personal property. Any person caught violating this policy will be dismissed immediately.

Employee Lounge

The Company has an employee lounge with a refrigerator, microwave oven, and sink for the convenience of our employees. Please be respectful of your fellow employees and be sure to dispose of trash and clean any materials you may use, such as flatware, cups, glasses, and dishes.

Expense Reporting and Reimbursement

Pre-approved (by your supervisor) travel expenses between Sun Travel and a work related location will be reimbursed at cost. Use of one's personal vehicle will be reimbursed at the established federal mileage reimbursement rate. The Company accepts no liability for any damage or liabilities that may occur while an employee is using a personal car for company business. The reimbursement rate includes an allowance for insurance. These expenses should be recorded on an expense report and turned in to your supervisor on a regular basis.

For out of town travel approved by your supervisor, employees will be reimbursed for agreed upon out-of-pocket expenses when accompanied by appropriate receipts. Employees must account for all travel expenses by submitting a comprehensive and accurate expense report within five business days after the completion of the trip. All expense reports must be signed by the employee and approved by their supervisor. Expense reports are submitted and reviewed by accounting and a corporate officer for further approval. Incomplete or inaccurate reports and reports lacking ORIGINAL receipts or other required documentation will be returned, delaying reimbursement. No reimbursement will be made for expenses incurred in violation of this policy.

Non-Reimbursable expenses include:

- Personal entertainment expenses such as movies, games, and health clubs
- Costs incurred by failure to cancel transportation or hotel reservations
- Traffic and/or parking violation fines
- Spouse or other family member expenses
- Laundry service

Company-Issued Credit Cards

The Company may issue company credit cards to certain employees for business use as necessary in connection with the employee's job duties. Use of company-issued credit cards is a privilege, which the Company may withdraw at any time.

Any credit card issued to an employee by the Company must be used for business purposes only. Personal purchases of any type are not allowed and will not be reimbursed. Expenses for lodging and meals while on company-approved business trips are considered business purchases, as long

as such expenses are consistent with the Company's travel and expense reimbursement policy.

Employees are expected to exercise discretion and good judgment when incurring business expenses and to report expenses on a timely basis with appropriate documentation. If there is any question as to whether a particular purchase qualifies as a business expense, the employee should consult his or her manager before incurring the expense. Employees are responsible for any unauthorized purchases deemed by the Company to be for personal use.

Privacy Issues

You have legitimate privacy interests in your own property and the conduct of your personal affairs. So long as those interests do not involve your work for Sun Travel or the Sun Travel workplace, they remain exclusively yours. Sun Travel, however, has a vital interest in the work its employees perform and anything brought onto Company premises. For example, Sun Travel has important interests in preventing the use or distribution of drugs and alcohol on Sun Travel premises, preventing workplace violence, and controlling and protecting the use of its computer equipment and all other Company resources. Accordingly, please understand that with respect to your employment at Sun Travel you should have no expectations of privacy regarding the following:

- All Company computer equipment and computer related resources including, without limitation, all information transmitted by, received from, accessed by or stored in the Company's computer system (this includes e-mails, including deleted e-mails).
- All Company materials, spaces and property (this includes desks and file cabinets, regardless of whether they are locked)
- All mail and written communications delivered to or sent from Company premises.
- All personal property you bring on Company premises (if you want to maintain privacy interests with respect to your own property, do not bring it on Company premises).
- Under certain limited circumstances, your person.

Unless expressly authorized by management to do so, no employee may engage in the electronic or mechanical recording (whether by audio, video, photographic, or other device) of other employees or Company clients. No employee may review information (whether in e-mail or other electronic form or in hard-copy or other form) not directed to that employee or otherwise intended for that employee's review.

Social Networking Policy

If you look for Sun Travel on Facebook, Twitter, blogs, etc. you will find many names.

While your personal business is your business and the Company respects that, rules must be followed when social networking identifies you as a Company employee or agent. Thus, how you use the social media is your business---until your use of it intersects with the interests of the Company.

So if you use the social media and identify yourself as a Company employee or agent, there are some things which you must remember. This is especially true when the content is confidential or can be embarrassing to the Company or its clients.

1. All of the applicable prohibitions and cautions set forth in this handbook and the Company's other employment policies apply to social media.
2. Many of our clients prohibit us from making mention of our relationship with them and this prohibition applies not only to the Company as a business entity but also to each of you individually. No mention should ever be made of the clients you work on or of the projects you have underway. To do so is likely to violate the terms of our clients' contracts.
3. No mention should ever be made of Company proposals with which we are involved. Not only does this violate the confidentiality agreement we usually sign with prospective clients but it could also tip off a competitor to the fact that a client or project is in play.
4. Current or former Company work product must never be posted online.
5. Since this is a small industry you might get asked to provide a reference regarding a past or current colleague. Whether it is positive or negative, don't do it. All recommendations must come from Human Resources.
6. The Company's confidential financial information is just that – confidential. Any mention of client fees, company revenues or the like is prohibited.
7. When we represent the Company in person or in writing, we do so professionally. The same applies to the social media. So you cannot post pictures of yourself or your coworkers drinking alcohol, using illegal drugs or posing in sexually provocative manner while identifying yourself or others as Company employees.
8. It is OK to say you work here and what you do (not what clients you do it for) and what a good place this is, but remember that what you say there could be read by millions of people. So, caution and good judgment must prevail.

GUIDELINES FOR CONDUCT

General Rules

Because we are in a professional service business, we are here primarily to serve to clients. It is, therefore, vital that we conduct ourselves in accordance with the utmost professionalism and the highest principles and ethics. In working together it is appropriate to have certain rules, because they can help us guide our conduct and realize our aspirations to professionalism. With this in mind, we have established Company rules designed, among other things, to help us serve our clients to the best of our ability, to promote the management of Sun Travel, to prevent work interruptions and interferences with the efficient, profitable, safe, and harmonious operation of the Company's business, and to guide the conduct of all of our employees. These rules supersede all previously issued rules. Sun Travel reserves the right, at any time and from time to

time, to add new rules and change, modify, suspend, interpret, add to, or cancel in whole or in part these rules.

Although employment with Sun Travel is not for a fixed term or definite period and may be terminated at any time either by the employee or the Company, employees may be subject to discipline, including dismissal without prior notice or warning for failing to observe any of the policies set forth in this handbook, even a first offence. Below is a list not intended to be exhaustive, rather it merely illustrates some examples of the conduct for which employees may be subject to disciplinary action. The Company reserves the right to discipline, including dismissing, employees for other conduct which is not described in this handbook.

1. Theft, participating in a theft, or attempted theft of Sun Travel property or property of any employee, client, or visitor of the company. Client files, whether in hard copy or in electronic file formats, are considered to be property of the Company.
2. Dishonesty, lying, embezzlement, falsifying any Company records (including employment application materials), falsely reporting any act or transaction, or attempting to defraud the Company or a client by any means, including making false or fraudulent statements regarding sick pay, medical leave, overtime, workers' compensation or insurance claims, falsifying financial records, falsifying or padding time records, or falsifying or padding expense reports.
3. Fighting with or assaulting supervisory personnel or any other employee, client, or visitor of the Company.
4. Insubordination, including but NOT limited to failure or refusal to obey the lawful orders or instructions of a supervisor, member of management of Sun Travel, or the use of abusive or threatening language toward a supervisor or member of management of Sun Travel.
5. Using inappropriate language such as: profanity, cussing, swearing, vulgar, obscene, abusive or insulting language, including unwelcome name-calling and inappropriate jokes or racial slurs at any time on Company premises.
6. Displaying indifference or rudeness towards a customer or fellow employee; or any disorderly/antagonistic conduct on company premises.
7. Failing to obtain permission to leave work for any reason during normal working hours.
8. Sleeping or loitering on scheduled work time.
9. Violating of the Company's Policies, including those set forth in this handbook, as well as the Company's Drug and Alcohol Policy.
10. Carrying or using firearms or other dangerous weapons or materials on Company property or in connection with Company business.

11. Involvement in any illegal activities on Company property or in connection with Company business.
12. Disclosing trade secrets, confidential information, or proprietary business information about the Company or clients to unauthorized persons or competitors.
13. Violation of the Company's Non-Discrimination and Anti-Harassment Policy.
14. Allowing another person, whether a Company employee or not, access into Company premises by giving him or her a company access code.
15. Having a poor attendance record or displaying a negative attitude toward the Company, including the use of sloppy work habits that impair performance and create mistakes.
16. Poor work performance or attitude.
17. Inability to get along with your co-workers.
18. Competing with the Company, including use and/or misappropriation of the Company's confidential business information for purposes of benefiting a competitor.

Disciplinary Actions

Disciplinary action may be taken against any employee whose performance or conduct is deemed by management to be unsatisfactory. Management reserves the right to react to any infractions as the severity of the infraction and the overall interest of the Company may require.

Further, Sun Travel management reserves the right to take whatever disciplinary measures is deemed necessary in any given situation.

The Company maintains a progressive discipline procedure to ensure the fair treatment of all employees. The progressive discipline procedure is intended to give employees advance notice of problems with their conduct or performance in order to provide them with an opportunity to correct such problems. The normal disciplinary steps are as follows:

1. Verbal warning.
2. Written warning.
3. Formal written warning. This will state: if the conduct or problem continues during a specific time frame, the employee will be placed on probation.
4. Probation. Probation is a written warning that the employee will be dismissed if there is not a significant improvement. An employee on probation will not be entitled to accrue vacation days or sick days. Other restrictions may be applied and will be noted in writing at the time the employee is informed of the probation.
5. Disciplinary furlough (leave of absence without pay) or Termination.

Events Which May Lead to Probation

Employees will be placed on probation when there are repeated occurrences of failure to comply with company policies, after an employee has been warned that a problem exists. Excessive tardiness or absenteeism and poor performance in the carrying out of agent responsibilities are specific examples of situations that will lead to probation.

When employees are placed on probation, management is expecting to see a measurable change in attitude and performance. Probation is a warning that the employee will be dismissed if there is not a significant improvement. Simply “keeping out of trouble” for the duration of the probation period will not prevent dismissal.

When a supervisor believes that an employee should be placed on probation, the matter is discussed among the management team. If there is general agreement that this action should be taken, the employee will be informed and asked to sign a statement that they have been notified of their probationary status. When an employee is on probation, they are subject to dismissal if there is not a measurable improvement in performance.

Probationary Penalties

An employee on probation will not accrue vacation days. PTO that has already accrued can be used during the probationary period. Other restrictions may be applied and will be noted in writing at the time the employee is informed of his or her probation.

* Management hopes that probation will not be required, but believes that employees that abuse Company privileges and break Company policy set a bad example and create morale problems.*

Safety Rules

The Company wants to have a healthy and safe environment for all of our employees. To realize this important goal, we need cooperation and participation. Accordingly, safe practices including compliance with the following safety rules must be observed at all times.

1. Do not smoke on Company property. Sun Travel maintains a non-smoking environment and adheres strictly to that policy.
2. Immediately report any equipment that needs repair, any safety or health hazard, or any violation of our safety rules to your supervisor or other appropriate member of management.
3. Immediately report any accident, injury, or illness regardless of its size or significance to you supervisor or other appropriate member of management.
4. Know the location of all exits and fire extinguisher in your area. Do not obstruct fire-fighting equipment, aisles, or fire exists.

5. Practice good housekeeping. Keep your work area, neighboring areas, and aisles clean and accessible. Stack and store materials and equipment safely. Do not repair/adjust machinery or equipment without first shutting off the power and/or unplugging it. Do not overload electrical outlets.

EMPLOYMENT AND TERMINATION OF EMPLOYMENT

Employment at Will

Each employee's employment with the Company is "at will" and may be terminated at any time, with or without prior notice, and/or at either the employee's option or the Company's option. No representative of the Company other than the President has any authority to enter into any agreement for employment for any specified period of time; to assure any other personnel action relating to an employee; to assure any salary, benefits, or other terms or conditions of employment; or to make any agreement relating to an employee's employment. Any such agreement must be in writing and signed by the President and the employee. The previous three sentences shall be controlling, regardless of any of his or her benefits, notwithstanding anything to the contrary that may be contained in any employee handbook, personnel manual, guide, other policy statement, communication of the Company, any oral or other assurances, or promises that may be or may have been made to an employee at any time.

Notice

Although neither an employee nor the Company is under any obligation to give the other notice of a desire to terminate an employee's employment with the Company, the Company expects employees to give the courtesy of two weeks' notice of such desire.

Return of Company Property

Upon termination of employment, an employee shall immediately return to the Company all documentary or tangible, confidential information (whether such information is contained in hard copy and/or in electronic format) and all copies thereof. Further, you shall immediately return to the Company any and all other Company property in his or her possession such as any keys, security cards, passes, credit cards, equipment, tools (any item Sun Travel has purchased for the employees use) and Company documents and copies thereof, including this handbook.

Exit Interview

Employees who terminate their employment with the Company may be requested by the Company to meet with a representative of the Company for an exit interview. An exit interview may provide an opportunity to share information concerning your experiences at and views of the Company. Of course, suggestions for improvements regarding any aspects of our business are invited at any time.

References

Unless the Company receives a written inquiry from a prospective employer and a written release, approved by the Company, from a former employee, it is the Company's policy to confirm only the dates of that former employee's employment and his or her position with the Company. All inquiries for references should be referred to Human Resources.

CONCLUSION

We hope that the information in this handbook about our Company will serve you in your endeavors toward success. This manual supersedes all prior written policy handbooks/manuals of Sun Travel. The policies, procedures and benefits described herein are constantly being reviewed and may be added to, amended, or terminated by Sun Travel when desirable or necessary to meet employee or Company needs as well as by changing times. It is the intent of the Company that the policies, procedures and benefits described in this handbook are to be applied and administered in a fair and even-handed fashion, recognizing that each individual situation may present unusual circumstances or needs requiring special accommodation. Naturally, it is impossible to cover every topic and every situation that may arise, but we hope that we have covered most of them. We are extremely proud of our Company and we are sure that you will share our enthusiasm.

DISCLAIMERS

Many of the pay practices, employment policies and benefits described generally in this handbook are covered in detail in official policy documents which are modified from time to time and which are readily available for your inspection by contacting Human Resources. These official texts are controlling documents and govern entirely over any statement made in this manual or by any supervisor/manager.

Although it is our present intention to continue these pay practices, employment practices and benefits, we reserve the right to alter, reduce or eliminate any pay practice, policy or benefit in whole or in part, without notice in compliance with applicable laws.

Your supervisor/manager is without authority to bind the Company to continue any pay practices, policy or benefits contrary to what is stated in this manual or in the official text.

CHANGES

Our policies, practices and benefits are continuously reviewed for updating and we expect to change them from time to time. Therefore, you should always check with Human Resources for the most current ones. Company benefits plans are defined in legal documents such as insurance contracts, official plan texts and trust agreements. This means that if a question ever arises about the nature and extent of plan benefits or if there is conflicting language, the formal language of the plan documents take precedence over the language of this handbook. Benefit plan documents are available for your inspection by request of Human Resources.

**10. ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK
– EMPLOYEE COPY -**

With my signature below, I acknowledge that I have received a copy of the Employee Handbook and understand that it contains important information on the Company's general personnel policies and on my privileges and obligations as an employee. I understand that I am governed by the contents of this handbook and other Company practices, policies, and guidelines, and I am expected to adhere to them. Also, I understand that the Company reserves the right to change or revoke any benefits, conditions, or privileges of employment, policies, practices, procedures, or guidelines at any time with or without notice or for any reason.

I agree to abide by the terms set forth in this handbook. I further agree to maintain this handbook with all future updates and revisions. I understand that all new and/or amended policies and procedures are effective as of the date of the new policy, even if I fail to insert these new policies into my handbook.

This handbook will be returned to the Company upon my resignation/termination from the Company.

Printed Name of Employee

Signature of Employee

Date

RETAIN THIS SIGNED COPY IN YOUR HANDBOOK FOR YOUR RECORDS.

**11. ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK
– COMPANY COPY -**

With my signature below, I acknowledge that I have received a copy of the Employee Handbook and understand that it contains important information on the Company's general personnel policies and on my privileges and obligations as an employee. I understand that I am governed by the contents of this handbook and other Company practices, policies, and guidelines, and I am expected to adhere to them. Also, I understand that the Company reserves the right to change or revoke any benefits, conditions, or privileges of employment, policies, practices, procedures, or guidelines at any time with or without notice or for any reason.

I agree to abide by the terms set forth in this handbook. I further agree to maintain this handbook with all future updates and revisions. I understand that all new and/or amended policies and procedures are effective as of the date of the new policy, even if I fail to insert these new policies into my handbook.

This handbook will be returned to the Company upon my resignation/termination from the Company.

Printed Name of Employee

Signature of Employee

Date

THIS SIGNED COPY IS FOR COMPANY RECORDS.