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Employee Manual

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Welcome to The Squires Group

Welcome to The Squires Group - *the* family of ERP specialists! As you may know, The Squires Group, Inc. was created in 1994 in response to the growing need of solid niche-market ERP specialists.

There are four fundamental principles to success in our business. They are: experience, professionalism, integrity and trust. These principles are the solid foundation of The Squires Group that our clients depend on. These principles are the foundation from which The Squires Group has prospered.

Not all applicants are invited to join The Squires Group team. You are one of a select group of people with the experience and capability to contribute to The Squires Group's outstanding reputation for *absolute* quality in delivery. This reputation has been earned through the hard work of every TSGi team member. Therefore, as a member of The Squires Group team, you too are expected to contribute your talent and energy to the utmost of your abilities, to the success of your project, your client, your career and The Squires Group.

This Employee Manual provides answers to most questions about The Squires Group's expectations of our consultants, our benefits program, and company policies and procedures. You are responsible for reading and understanding this Employee Manual. You will note a required signature page stating you have read this manual. Please sign this page (a "loose" copy has been provided), copy and send the original to Corporate (keeping a copy for yourself) via Fax to 410.224.5755 or via U.S. Mail. If anything is unclear, please don't hesitate to call Human Resources or myself at 410.224.7779.

Please accept my best wishes for your success and happiness at The Squires Group.

Nancy E. Squires, CEO

IMPORTANT NOTICE

This Employee Manual has been prepared to familiarize you with the benefits and basic personnel policies and procedures of The Squires Group, Inc. (“The Squires Group” or “TSGi”). The contents of this Manual are presented as a matter of information only. The Squires Group, at its option, may modify or discontinue any and all benefits outlined in this Manual at any time without notice. No employee of The Squires Group can enter into an agreement contrary to this policy manual without written approval from the CEO or President.

This Manual, and all provisions within it, is neither an express or implied contract nor an agreement of employment for a specific or definite period of time. Moreover, your employment with TSGi is “at-will”. This means that you are free to terminate your employment at any time, with or without reason, and TSGi has the right to terminate your employment at any time, with or without reason. No one at The Squires Group is authorized to make any agreement to the contrary without written permission from the company President or CEO.

We try to provide you with notice of changes by circulation of memoranda to staff members or by reissuing this Manual. Please understand, however, that the benefits outlined in this Manual are also subject to modification by The Squires Group at any time, without prior notice.

This Manual supersedes all prior versions.

Receipt and Acknowledgment of The Squires Group Employee Manual

Please read the following statements, sign below and return via fax or mail to Human Resources on or before your start date.

Understanding and Acknowledging Receipt of The Squires Group Employee Manual

I have received and read a copy of The Squires Group Employee Manual. I understand that the policies and benefits described in it are subject to change at the sole discretion of The Squires Group, Inc. at any time. I also understand that this Manual is not a contract.

At-Will Employment

I further understand that my employment is at will, and neither The Squires Group, Inc. nor myself has entered into a contract regarding the duration of my employment. I am free to terminate my employment with The Squires Group at any time, with or without reason. Likewise, The Squires Group has the right to terminate my employment, or otherwise discipline, transfer, or demote me at any time, with or without reason, at the discretion of The Squires Group. No employee of The Squires Group can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without written approval from the company CEO or President.

Confidential Information

I am aware that during the course of my employment confidential information will be made available to me. For instance, product designs, marketing strategies, customer lists, pricing policies and other related information. I understand that this information is proprietary and critical to the success of The Squires Group and must not be distributed outside of The Squires Group's premises or with non-Squires Group employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to disclose this confidential information to non-Squires Group employees or to utilize or exploit this information for any purpose other than in connection with and furtherance of my employment with The Squires Group.

Employee's Printed Name

Title

Employee's Signature

Date

An Overview of The Squires Group

Our Vision

The Squires Group strives to be an industry leader for ERP expertise in the mid-Atlantic region. We achieve this goal through our professional staff, and by exceeding client expectations with the highest degree of experience, professionalism, integrity and trust.

What The Squires Group Expects From You

The Squires Group needs your help in making each working day successful and rewarding. Your first responsibility is to know your own duties and how to do them promptly, correctly and pleasantly. Second, you are expected to cooperate with client management, TSGi management and your colleagues to create and maintain a good team attitude.

How you interact with fellow employees and those whom The Squires Group serves, and how you accept direction can affect the success of your project team. In turn, the performance of one project team can impact the entire service offered by The Squires Group. Consequently, whatever your position, you have an important assignment: *perform every task to the very best of your ability.*

You are encouraged to grasp all opportunities for personal development offered to you. This manual offers insight on how you can perform positively and to the best of your ability to meet and exceed The Squires Group expectations.

Open Communication Policy

The Squires Group strongly encourages you to discuss any issue you may have with TSGi management. Please remember it is counterproductive to a well-balanced workplace for employees to create or repeat corporate rumors or office gossip. It is more constructive for an employee to consult his/her Supervisor immediately with any questions or concerns.

Outside Employment

Employees may not take an outside job, either for pay or as a donation of her/his personal time, with a customer or competitor of The Squires Group; nor may they do work on their own if it conflicts or competes in any way with the sales of products or services we provide our customers. If your financial situation requires you to hold a second job, part-time or full-time, or if you intend to engage in a business enterprise of your own, The Squires Group must be notified. Before accepting any outside employment you are required to discuss the matter with the Company CEO or President and obtain their prior written approval.

General Human Resources

Employment

At-Will Employment

Your employment with The Squires Group is at-will. This means neither you nor The Squires Group has entered into a contract regarding the duration of your employment. You are free to terminate your employment with The Squires Group at any time, with or without reason. Likewise, The Squires Group has the right to terminate your employment, or otherwise discipline, transfer, or demote you at any time, with or without reason, at discretion of The Squires Group.

Timesheet Procedures

The Squires Group requires the submission of company timesheets accurately and in a timely manner. We hope the following guidelines will eliminate errors and problems of time recording. The Squires Group would also like to stress how *imperative it is for all employees to adhere to the requirements for proper time recording as stated below*. Our time recording practices are key elements in maintaining our business relationships with our clients.

By federal law, we must certify that the charges on the invoices are completely correct. Any deliberate misrepresentation of charged time is not only a violation of company policy, but may also be a violation of federal laws. Because of the consequences to individuals and to the company, accuracy is very important. Repeated or intentional failure to adhere to the timesheet procedures as outlined in this document may result in disciplinary action up to and including termination of employment.

Employees with any questions regarding the timesheet procedures should directly contact their Supervisor or TSGi headquarters. Anyone witnessing or suspecting a violation of the timesheet procedure must contact Human Resources or Nancy Squires.

Time Reporting Guidelines

- Upon hire and orientation, new consultants will receive a hard copy of TSGi's time sheet and a soft copy via email.
- Record your hours at the end of each day. Remember to account for each hour. If you worked 5 hours one day, then put 5 hours in billable hours and 3 hours in either personal, vacation, or holiday. Salaried personnel must account for 40 hours per week.
- Round all hours to the nearest ¼ hour.
- Client signed timesheets must be received at TSGi no later than 5:00 PM on Monday. **(410.224.5755)**. If unable to procure manager signature, please fax timesheet with an explanation.
- *If you are going to be out of the office on Monday, please make arrangements for your timesheet to be submitted on time.*

Equal Employment Opportunity

Policy

The Squires Group is proud of its collegial work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere which promotes equal opportunities and prohibits discriminatory practices or harassment based on race, color, creed, religion, national origin, ethnicity, sex, pregnancy, age, sexual orientation, physical or mental disabilities that do not preclude job performance, veteran status, or citizenship status. Acts of discrimination or harassment based on any of these characteristics will not be allowed, tolerated, or condoned by The Squires Group.

Application of Policy

This policy applies to The Squires Group employees, at all levels, management or not, and governs conduct in the workplace and at all other work-related events, such as business trips and Company-related functions. The Squires Group will also not allow, tolerate, or condone any form of discrimination or harassment of an The Squires Group employee by clients or any other non-employee who conducts business with The Squires Group.

Complaint Procedure

The Squires Group encourages the reporting of all incidents of discrimination or harassment regardless of who the offender may be. Individuals who believe that they have been subjected to discrimination or harassment should report the situation to your direct supervisor or The CEO or President of The Squires Group.

The Squires Group will then conduct an appropriate investigation into the circumstances. Although The Squires Group will attempt to keep the report and investigation as confidential as possible, individuals must recognize that such allegations frequently cannot be investigated and substantiated in complete secrecy.

Retaliation Not Permitted

The Squires Group will not permit retaliation against anyone making a report of discrimination or cooperating in the investigation of any such report. Anyone who feels that he or she has been retaliated against should immediately report the retaliation using the procedure set forth above for making reports of discrimination or harassment.

Disciplinary Action

Any individual determined to have engaged in discrimination or harassment in violation of this policy will be subject to appropriate disciplinary action, up to and including termination of employment.

Anti-Harassment Policy

Consistent with The Squires Group's non-discrimination policy, sexual harassment or harassment based on race, color, creed, religion, national origin, ethnicity, sex,

pregnancy, age, sexual orientation, disability, veteran status or citizenship status (collectively “protected factors”) in the workplace will not be tolerated. All employees should be aware that The Squires Group’s philosophy is to prevent sexual harassment or harassment based on these other protected factors from occurring -- accordingly, The Squires Group may take disciplinary action based upon conduct that does not meet the legal definition of sexual harassment or harassment based upon a protected factor, but nevertheless is offensive to fellow employees.

Inappropriate Conduct

Sexual harassment in the workplace includes unwelcome or inappropriate sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature, that are demanded or requested as a condition of employment or are sufficiently pervasive to create a hostile work environment. In order to prevent such situations from occurring, The Squires Group has implemented the following rules:

- No officer or employee of The Squires Group shall insinuate or threaten, either implicitly or explicitly, that another officer’s, employee’s, or applicant’s refusal to submit to sexual advances will adversely affect that person’s employment, work status, or any other condition of employment or career development. Similarly, no officer or employee shall imply, promise, or grant any preferential treatment in connection with another officer, employee, or applicant engaging in sexual conduct.
- All employees should avoid the following conduct:
 1. unwelcome sexual flirtations, advances, or propositions;
 2. verbal abuse of a sexual nature;
 3. subtle pressure or requests for sexual activities;
 4. unnecessary touching of an individual;
 5. graphic or verbal commentaries about an individual’s body;
 6. sexually degrading words used to describe an individual;
 7. a display in the workplace of sexually suggestive objects or pictures;
 8. sexually explicit or offensive jokes, or
 9. physical assault.
- Harassment based on other protected factors include unwelcome or unwanted actions or comments directed to the person due to the protected factor or generally about the protected factor. This prohibited conduct includes, but is not limited to, offensive jokes, degrading words, and verbal or physical abuse because of the person’s protected factor.

Complaint Procedure

If an employee feels that he or she is a victim of conduct of the type listed above or of any type of sexual harassment or harassment based on any other protected factor, by any officer, manager, employee, client, or any other person doing business with The Squires Group, he or she should immediately bring the matter to the attention of his or her immediate supervisor or The CEO or President of The Squires Group. It is very

important that problems of this type be brought to the attention of these individuals as promptly as possible.

The Squires Group will then conduct an appropriate investigation into the circumstances, and will take appropriate corrective action. The Squires Group is aware of the sensitive nature of situations covered by this policy. Accordingly, each investigation of any complaint of sexual harassment or other forms of harassment will be conducted in as confidential a manner as possible, consistent with completing an appropriate investigation. The findings of the investigation will be communicated to the parties involved.

Retaliation Not Permitted

The Squires Group will not permit retaliation against anyone making a report under this policy or cooperating in the investigation of any such report. Anyone who feels that he or she has been retaliated against should immediately report the retaliation using the procedure set forth above.

Disciplinary Action

Any individual determined to have engaged in conduct in violation of this policy will be subject to appropriate disciplinary action, up to and including termination of employment.

Standards of Conduct

Whenever people gather together to achieve goals, some rules of conduct are needed to help everyone work together efficiently, effectively, and harmoniously. By accepting employment with us, you have a responsibility to The Squires Group, its customers and to your fellow employees to adhere to certain rules of professional behavior and conduct. The purpose of these rules is not to restrict your rights, but rather to be certain that you understand what conduct is expected and necessary. When each person is aware that she/he can fully depend upon fellow workers to follow the rules of conduct, our organization will be a better place to work for everyone.

Unacceptable Activities

Generally speaking, we expect each person to conduct themselves in a professional and responsible way at all times. If you have any questions concerning any work or safety rule, or any of the unacceptable activities listed below, please see your Supervisor for an explanation.

Note that the following list of Unacceptable Activities does not include all types of conduct that can result in disciplinary action, up to and including termination. Nothing in this list alters the at-will nature of your employment; either you or The Squires Group may terminate the employment relationship with or without reason, and in the absence of any violation of these rules.

1. Any unacceptable action that is detrimental to The Squires Group's efforts to operate profitably.
2. Violation of security or safety rules or failure to observe safety rules or The Squires Group and/or client safety practices, or tampering with The Squires Group and/or client equipment or safety equipment.

3. Negligence or any careless action that endangers the life or safety of another person.
4. Being intoxicated or under the influence of a controlled substance while at work; use, possession or sale of a controlled substance in any quantity while on company and/or client premises, except medications prescribed by a physician which do not impair work performance.
5. Unauthorized possession of dangerous or illegal firearms, weapons or explosives on company property or while on duty.
6. Engaging in criminal conduct or acts of violence or making threats of violence toward anyone on company and/or client premises or when representing The Squires Group; fighting, or provoking a fight on company and/or client property, or negligent damage of property.
7. Insubordination or refusing to follow instructions properly issued by your manager pertaining to your work; unreasonable refusal to help out on a special assignment.
8. Threatening, intimidating or coercing fellow employees on or off the company and/or client premises at any time, for any purpose.
9. Engaging in an act of sabotage; negligently causing the destruction or damage of company and/or client property, or the property of fellow employees, customers, suppliers, or visitors in any manner.
10. Theft or unauthorized possession of company and/or client property or the property of fellow employees; unauthorized possession or removal of any company and/or client property, including documents, from the premises without prior permission from management; unauthorized use of company and/or client equipment or property for personal reasons; using company and/or client equipment for profit.
11. Dishonesty; falsification or misrepresentation on your application for employment or other work records; lying about sick or personal leave; falsifying reason for a leave of absence or other data requested by The Squires Group; alteration of company records or other company documents.
12. Violating the non-disclosure agreement; disclosing confidential or proprietary The Squires Group information to competitors or other organizations or to unauthorized The Squires Group employees; working for a competing business while a The Squires Group employee; breach of confidentiality of personnel information.
13. Spreading malicious gossip and/or rumors; engaging in behavior which creates discord and lack of harmony; interfering with another employee on the job; restricting work output or encouraging others to do the same.
14. Immoral conduct or indecency on company and/or client property.
15. Unsatisfactory or careless work; failure to meet production or quality standards as explained to you by your Supervisor.
16. Violation of the Company anti-discrimination and anti-harassment policies.
17. Leaving work before the end of a workday or not being ready to work at the start of a workday without approval of your Supervisor; stopping work before time specified for such purposes.
18. Sleeping or loitering during working hours.

19. Excessive use of Company or client telephone for personal calls.
20. Smoking in restricted areas or at non-designated times, as specified by department rules. **Excessive smoke breaks are frowned upon by Clients and are cause for disciplinary action.**
21. Creating or contributing to unsanitary conditions
22. Failure to report an absence or late arrival; excessive absence or lateness.
23. Obscene or abusive language toward any manager, employee or customer; indifference or rudeness towards a customer or fellow employee; any disorderly/antagonistic conduct on company premises.
24. Failure to immediately report damage to, or an accident involving, company and/or client equipment.
25. Failure to use your timesheet; alteration of your own timesheet or records or attendance documents; altering another employee's timesheet or records, or causing someone to alter your timesheet or records.

Disciplinary Actions

Where your performance or job-related conduct is an issue, the Company prefers a discipline system intended to give you advance notice, when possible, of problems with conduct or performance in order to provide you with an opportunity to correct problems. The process may involve verbal counseling and written warnings, however, the Company reserves the right to take any disciplinary action it deems appropriate, up to and including termination. If conduct or performance does not improve, TSGi will take corrective action up to and including termination.

Crisis Suspension

If you commit any of the actions listed below, or any other action not specified but which the Company in its sole discretion considers to be similarly serious, you may be suspended without pay pending an investigation of the situation.

1. Theft.
2. Falsification of The Squires Group's and/or client records.
3. Breach of Confidentiality Agreement.
4. Threat or act of doing bodily harm.
5. Willful or negligent destruction of property.
6. Use and/or possession of intoxicants, drugs or narcotics on Company and/or client property.

The provision of this Disciplinary Policy is not a guarantee of its use. The Squires Group reserves the right to terminate employment at any time, with or without reason. Additionally, The Squires Group reserves the right to discipline, up to and including termination, any employee for any of the above infractions.

Anniversary Date

The first day you report to work is your "official" start and anniversary date. Your anniversary date may be used to compute various conditions and benefits described in this Employee Manual.

Immigration Law Compliance

All offers of employment are contingent on verification of your right to work in the United States. On your first day of work you will be asked to provide original documents verifying your right to work and, as required by federal law, to sign Federal Form I-9, Employment Eligibility Verification Form. If you at any time cannot verify your right to work in the United States, The Squires Group may be obliged to terminate your employment.

Medical Examinations and Inquiries

While The Squires Group understands that health matters are often matters employees would like to keep private, there are certain situations that may require disclosure or inquiry into these matters.

Pre-employment Inquiries: The Squires Group may make pre-employment inquiries into the ability of an applicant to perform job-related functions, and/or may ask an applicant to describe or to demonstrate how, with or without reasonable accommodation; the applicant will be able to perform job-related functions.

Inquiries and Examinations during Employment: The Squires Group may require a medical examination and/or inquiry of an employee that is job-related and consistent with business necessity (for example, where there is a question whether you are physically or mentally capable of performing your job or as part of discussing a reasonable accommodation of a disability).

Confidentiality of Medical Information: Information obtained from applicants or employees concerning a physical or mental condition are filed in a separate medical file. Information in that file is generally kept confidential, except that: (a) supervisors and managers may be informed regarding necessary accommodations or restrictions on work or duties; (b) first aid and safety personnel may be informed, where and to the extent appropriate, the condition might require emergency treatment; and (c) Government officials investigating compliance with applicable laws and regulations may be informed.

Employment Classifications

At the time you are hired, you are classified as a full time salaried, hourly or part-time employee. In addition, you are classified as either non-exempt or exempt. All policies described in this Employee Manual and communicated by The Squires Group apply to all full time salaried, hourly and part time employees, with the exception of wage, benefit and time off policies. These policies are applied based on your classification. If you are unsure of which job classification your position fits into, please ask your Manager.

Full-Time Salaried Employees

An employee who works at least 40 billable hours per week is considered a full-time employee. Unless otherwise specified, the benefits described in this Employee Manual apply only to full-time salaried employees.

Hourly Employees

Hourly Employees are paid for every billable hour worked. Hourly employees are not eligible for benefits described in this Employee Manual, except as granted at the sole discretion of The CEO or President, or to the extent required by provision of state and federal laws.

Part-Time Employees

An employee who works less than 40 hours per week is considered a part-time employee. If you are a part-time employee, you are not eligible for benefits described in this Employee Manual, except as granted at the sole discretion of The CEO or President, or to the extent required by provision of state and federal laws.

Temporary employees are not eligible for benefits described in this Employee Manual, except as granted on occasion, or to the extent required by provision of state and federal laws. Those temporary employees classified as "non-exempt" (see the section titled "Non-Exempt and Exempt Employees" below) who work more than forty (40) hours during any workweek will receive overtime pay.

Non-Exempt and Exempt Employees

At the time you are hired, you will be classified as either "exempt" or "non-exempt." This is necessary because, by law, employees in certain types of jobs are entitled to overtime pay for hours worked in excess of forty (40) hours per workweek. These employees are referred to as "non-exempt" in this Employee Manual. This means that they are not exempt from (and therefore should receive) overtime pay.

Note: See Wage and Salary Policies in the section of this Employee Manual titled "Compensation" for a full description of overtime payment policies.

Exempt employees are managers, executives, professional staff, technical staff, outside sales representatives, and others whose duties and responsibilities allow them to be "exempt" from overtime pay provisions as provided by the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. If you are an exempt employee, you will be advised that you are in this classification at the time you are hired, transferred or promoted.

Fair Labor Standards Act – Overtime Provisions

The Fair Labor Standards Act is a federal law which requires that most employees in the United States be paid at least the federal minimum wages for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a workweek. Certain employees, however, such as bona fide executive, administrative, professional and outside sales employees are exempt from both minimum wage and overtime requirements of this law.

To qualify for these exemptions, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week. These salary requirements do not apply to outside sales employees and certain other types of employees not employed by the Company. Being employed on a "salary basis" means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. This predetermined amount cannot be reduced

because of variations in the quality or quantity of the employee's work. However, exempt employees do not need to be paid for any workweek in which they perform no work.

Subject to the exceptions listed below, an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. Deductions made from salary for other reasons, such as the operating requirements of the business, may mean that employee is not actually paid on a "salary basis." If an employee is ready, willing and able to work, deductions may not be made for time when work is not available.

Deductions from pay are permissible when an exempt employee:

- is absent from work for one or more full days for personal reasons other than sickness or disability;
- for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness;
- to offset amounts employees receive as jury or witness fees, or for military pay;
- for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions;
- for penalties imposed in good faith for infractions of safety rules of major significance;
- or for weeks in which an exempt employee takes unpaid leave under the Family and Medical Leave Act, where applicable.

Also, an employer is not required to pay the full salary in the initial or terminal week of employment.

In all of the above situations, either partial or full day deductions from salary may be made.

It is the policy of The Squires Group to comply with the salary basis requirements of the FLSA. Therefore, we prohibit all company managers from making any improper deductions from the salaries of exempt employees. We want employees to be aware of this policy and that the company does not allow deductions that violate the FLSA.

If you believe that an improper deduction has been made to your salary, you should immediately report this information to your direct supervisor, the Human Resources Manager or to Nancy Squires, CEO.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction.

Overtime/Timesheets

If your position is non-exempt, and you are eligible for overtime, you will be paid at one and one half times your hourly rate for work in excess of 40 hours in any given work week. The Company does not provide compensatory time off in lieu of overtime pay for non-exempt staff members. Time sheets are to be completed by all exempt and non-exempt employees. Overtime hours must be approved in advance by your supervisor and are to be reported weekly. Your failure to adhere to this rule may result in disciplinary action up to and including termination.

Personnel Records and Administration

The Human Resources department performs the task of handling personnel records and related personnel administration functions at The Squires Group. Questions regarding insurance, wages, and interpretation of policies may be directed to Human Resources or Payroll.

Your Personnel File

Keeping your personnel file up-to-date can be important to you with regard to pay, deductions, benefits and other matters. If you have a change in any of the items listed, you are responsible for completing an employee information change form to ensure the appropriate departments are notified.

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status

Upon experiencing a family status change, please notify Payroll immediately for benefit modifications, if necessary.

You may request and receive copies of all documents you have signed.

Employment Reference Checks

Employees and former employees who desire a reference from The Squires Group should instruct the person who desires the reference information to submit the request for reference in writing to The Squires Group. Upon receipt of a written request, The Squires Group will respond in writing and will provide only the employee's dates of employment, salary, and position(s) held.

Compensation

Wage and Salary Policies

The goal of The Squires Group's compensation program is to attract the best employees, meet the needs of all current employees and encourage well-performing employees to stay with our organization. With this in mind, our compensation program is built to balance both employee and The Squires Group needs.

Pay Cycle

TSGi's payroll cycle is bi-weekly and made up of twenty-six (26) pay periods per year. Payday is every other Friday with a two week lag in the pay cycle.

Paycheck Distribution

Paychecks or stubs will be mailed to your home address. Direct deposit is available and recommended.

Mandatory Deductions from Paycheck

The Squires Group is required by law to make certain deductions from your earnings each time a paycheck is prepared. These deductions include your federal, state and local income taxes and your contribution to Social Security as required by law. All deductions will be itemized on your paycheck. The amount of the deductions will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. If you wish to modify this number, please request a new W-4 form from Payroll. Only you may modify your W-4 form. Verbal or written instructions are not sufficient to modify withholding allowances. We advise you to review your paycheck to ensure that it reflects the proper number of withholdings.

The W-2 form you receive annually reflects how much of your earnings were deducted for these purposes.

Any other mandatory deductions to be made from your earnings, such as court-ordered garnishments, will be explained whenever The Squires Group is ordered to make such deductions.

Note: Please see "Wage Garnishments" later in this section for further information.

Direct Payroll Deposit

Direct payroll deposit is the automatic deposit of your pay into the financial institution accounts of your choice. In addition, it may be possible for you to authorize The Squires Group to make additional deductions from your earnings, such as payroll savings plans. Contact Payroll for details and the necessary authorization forms.

Error in Pay

Every effort is made to avoid errors in payroll. If you believe an error has been made, contact Payroll immediately. The necessary steps will be taken to research the problem and to assure that any correction is made promptly.

Wage Garnishments

We hope you will manage your financial affairs so that we will not be obligated to execute any court-ordered wage garnishments. However, when court-ordered deductions are to be taken from your paycheck, you will be notified.

The Squires Group acts in accordance with the Federal Consumer Credit Protection Act, which places restrictions on the total amount that may be garnished from your paycheck.

Note: Please see the Mandatory Deductions from Paycheck Policy earlier in this section for further information.

Separation from Employment

Termination of Your Employment

The Squires Group will consider you to have voluntarily terminated your employment if you do any of the following:

1. Resign from The Squires Group,
2. Fail to return from an approved leave of absence on the date specified by The Squires Group, or
3. Fail to report to work or call in for three (3) or more consecutive workdays.

You may be terminated for any of, but not limited to, the following reasons: poor performance, misconduct, excessive absences, tardiness, discrimination, harassment or other violations of The Squires Group policies. However, your employment is at-will, and you and/or The Squires Group have the right to terminate your employment for any or no reason.

Termination

The Squires Group operates under the principle of at-will employment. This means that neither you nor The Squires Group has entered into a contract regarding the duration of your employment. You are free to terminate your employment with The Squires Group at any time, with or without reason. Likewise, The Squires Group has the right to terminate your employment, or otherwise discipline, transfer, or demote you at any time, with or without reason, at the discretion of The Squires Group.

The Squires Group hopes and expects that you will give at least two (2) weeks notice in the event of your resignation.

Exit Interviews

In a termination situation, either voluntary or involuntary, The Squires Group management would like to conduct an exit interview to discuss your reasons for leaving and any other impressions that you may have about The Squires Group. During the exit interview, you can provide insights into areas for improvement that The Squires Group can make. Every attempt will be made to keep all information confidential.

Return of Company Property

Any Squires Group property issued to you, such as software, computer equipment, books, keys, or company credit cards must be returned to The Squires Group at the time of your termination. You will be responsible for any lost or damaged items. The value of any

property issued and not returned may be deducted from your final paycheck, and you may be required to sign a wage deduction authorization form for this purpose.

Former Employees

Depending on the circumstances, The Squires Group may consider a former employee for re-employment. Such applicants are subject to The Squires Group's usual pre-employment procedures. To be considered, an applicant must have been in good standing at the time of their previous termination of employment with The Squires Group.

Dress Code and Personal Appearance

Please understand that you are expected to dress and groom yourself in accordance with accepted social and business standards, particularly if your job involves dealing with clients or visitors in person.

A neat, tasteful appearance contributes to the positive impression you make on our clients. You are expected to be suitably attired and groomed during working hours or when representing The Squires Group. A good, clean appearance bolsters your own poise and self-confidence and greatly enhances our company image. *When working at a client site, please dress appropriately according to Company and/or client corporate culture.*

Our Mothers were right: we do not have a second chance to make a first impression!

Violence in the Workplace Policy

Acts or threats of physical violence, including intimidation, harassment, and/or coercion, which involve or affect The Squires Group or which occur at a Squires Group client, or on Squires Group property will not be tolerated.

Specific examples of conduct that may be considered threats or acts of violence include, but are not limited to, the following:

1. Hitting or shoving an individual.
2. Threatening an individual or his/her family, friends, associates, or property with harm.
3. Intentional destruction of or threatening to destruct The Squires Group and/or client property.
4. Making harassing or threatening phone calls.
5. Harassing surveillance or stalking (following or watching someone).
6. Unauthorized possession or inappropriate use of firearms or weapons.

Violations of this policy by any individual on The Squires Group property and/or client property will lead to disciplinary action, up to and including termination and/or legal action as appropriate.

Operations

Absence or Lateness

Absence or lateness must be communicated immediately to both your client manager and TSGi Corporate. If you can't reach your manager, attempt to contact another co-worker

or leave a message informing one other person. If you're arriving to work late, please let your manager know when you expect to arrive for work. If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call TSGi. We will contact the client for you in this situation.

Absence from work for three (3) consecutive days without notifying your Supervisor or TSGi Management will be considered a voluntary resignation.

If you are absent because of an illness for three (3) or more successive days, TSGi may request that you submit written documentation from your doctor stating you are able to resume work duties, with or without an accommodation, before you will be allowed to return to work.

A consistent pattern of questionable absences may be considered excessive, and be cause for concern. In addition, excessive lateness or leaving early without letting your Supervisor know will also be considered a "lateness pattern" and carries the same weight as an absence. Other factors, like the degree and reason for the lateness, will be taken into consideration.

This policy also includes excessive breaks throughout the day (i.e. coffee breaks, smoke breaks). If the client notifies The Squires Group that any TSGi employee is taking excessive breaks, TSGi will follow the normal disciplinary actions listed in this section (see Disciplinary Actions, p. 13).

Your Supervisor will make a note of any absence or lateness, and their reasons, in your personnel file. Be aware that excessive absences, lateness or leaving early may lead to disciplinary action, including possible dismissal.

Note: Information on the types of leaves offered and their qualification criteria are included in the "Leaves" section of this Employee Manual.

Severe Weather and Emergency Conditions

Even when The Squires Group is open for business during inclement weather, employees are encouraged to use good judgment to avoid dangerous travel conditions. Our liberal leave policy will allow employees to use accrued paid time off, flexible time, or personal time, if you cannot safely report to work. Should you not have a leave balance or the ability to make-up the hours, you will be given leave without pay. This should be appropriately noted on your time sheet.

Holidays

Full time employees, eligible for benefits, will be paid eight hours for the recognized company holidays listed below. When a holiday falls on a Saturday, The Squires Group observes it on Friday. When a holiday falls on a Sunday, The Squires Group observes it on Monday. The Squires Group Corporate offices will be closed on all recognized company holidays.

When a client organization you are assigned to recognizes an alternative holiday, employees are to take this holiday as a floating holiday, personal, vacation day or leave without pay.

The Squires Group recognizes the following days as holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Day

In addition to these 7 holidays, full time employees are also eligible for up to two (2) floating holidays. These holidays must be taken before the end of the calendar year and cannot be carried over. If your first day of employment with TSGi falls on or after July 1, you will only be eligible for one (1) floating holiday for that year.

Workplace Policies

Following are just some of the workplace policies followed by The Squires Group employees. Please talk to your Supervisor if you have any questions about these policies/procedures.

Computer Software (Unauthorized Copying)

The Squires Group does not condone the illegal duplication of software. The copyright law is clear. The copyright holder is given certain exclusive rights, including the right to make and distribute copies. Title 17 of the U.S. Code states that "it is illegal to make or distribute copies of copyrighted material without authorization" (Section 106). The only exception is the users' right to make a backup copy for archival purposes (Section 117).

The law protects the exclusive rights of the copyright holder and does not give users the right to copy software unless the manufacturer does not provide a backup copy. Unauthorized duplication of software is a federal crime. Penalties include fines up to and including \$250,000, and jail terms of up to five (5) years. Even the users of unlawful copies suffer from their own illegal actions. They receive no documentation, no customer support and no information about product updates.

According to the U.S. Copyright Law, illegal reproduction of software can be subject to civil damages and criminal penalties, including fines and imprisonment. The Squires Group employees who make, acquire or use unauthorized copies of computer software shall be held personally responsible for their actions and disciplined as appropriate under the circumstances. Such discipline may include termination.

Computers, Electronic Mail, and Voice Mail Usage Policy

This policy sets forth policies on the proper use of the computer, voice mail, and electronic mail systems provided by The Squires Group and/or clients of The Squires Group.

The Squires Group and/or Client property, including computers, voice mail, and electronic mail, should only be used for conducting company business.

Incidental and occasional personal use of company computers, voice mail, and our electronic mail systems is permitted, but information and messages stored in these systems will be treated no differently from other business-related information and messages, as described below.

The electronic mail system may not be used to solicit for commercial ventures, religious or political causes, outside organizations, or other non-job related solicitations. Furthermore, the electronic mail system is not to be used to create any offensive or disruptive messages. Among those which are considered offensive, are any messages which contain sexual implications, racial slurs, gender-specific comments, or any other comments that offensively address someone's age, sexual orientation, religious or political beliefs, national origin, or disability. In addition, the electronic mail system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials without prior authorization.

Although The Squires Group provides certain codes to restrict access to computers, voice mail, and electronic mail to protect these systems against external parties or entities obtaining unauthorized access, employees should understand that these systems are intended for business use, and all computer information, voice mail, and electronic mail messages are to be considered as company records and should not be disclosed to unauthorized individuals.

The Squires Group also needs to be able to respond to proper requests resulting from legal proceedings that call for electronically stored evidence. Therefore, The Squires Group must, and does, maintain the right and the ability to enter into any of these systems and to inspect and review any and all data recorded in those systems. Because The Squires Group reserves the right to obtain access to electronic mail messages transmitted over these systems, employees should not assume that such messages are private or that The Squires Group or its designated representatives will not have a need to access and review this information. Individuals using The Squires Group's business equipment should also have no expectation that any information stored on their computer - whether the information is contained on a computer hard drive, computer disks or in any other manner - will be private.

The Squires Group has the right to, but does not regularly monitor electronic mail messages. The Squires Group will, however, inspect the contents of computers or electronic mail in the course of an investigation triggered by indications of unacceptable behavior or as necessary to locate needed information that is not more readily available by some other means.

The Squires Group, if necessary within or outside of The Squires Group, may disclose the contents of computers and electronic mail, properly obtained for legitimate business purposes.

Given The Squires Group's right to retrieve and read any electronic mail messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient.

Any employee who violates this policy or uses the electronic communication systems for improper purposes may be subject to discipline, up to and including termination.

Drug-Free Workplace Policy

The Squires Group acknowledges the problem of substance abuse (including alcohol) in our community. Furthermore, we see substance abuse as a serious threat to the health and

safety of our employees and to the integrity of our business. This policy is enacted in response.

The use, possession, or sale of illegal drugs, the consumption of alcohol, and the abuse of other legal substances while on The Squires Group's premises or during the conduct of The Squires Group business is prohibited. In addition, the off-duty use, possession, distribution, or sale of illegal drugs and reporting to work with detectable amounts of alcohol in one's system are also prohibited. Employees who violate this policy will be subject to appropriate disciplinary measures, up to and including termination.

Illegal drugs include (but are not limited to) marijuana, cocaine, opiates, PCP, and amphetamines. In addition, for purposes of this policy, prescription and over-the-counter drugs used without authorized prescription or contrary to medical advice will also be considered illegal drugs. Employees who are taking over-the-counter or prescription medication in accordance with prescription/direction do not violate this policy so long as they do not report to work in an impaired condition.

The Squires Group encourages employees who abuse alcohol or abuse illegal drugs to seek rehabilitation and or treatment before their problem exposes them to disciplinary measures or potential termination. Seeking such assistance does not alter your continued compliance with The Squires Group's policies or job performance expectations.

Expense Reimbursement

You must have your Supervisor's authorization prior to incurring an expense on behalf of The Squires Group. To be reimbursed for authorized expenses, you must submit an expense report accompanied by receipts for approval by your supervisor. Please submit your expense report or voucher to Accounting each week, as you incur authorized reimbursable expenses. Approved expenses will be reimbursed on a monthly basis. In order for The Squires Group to keep records and accounting accurate and current, expense reports or vouchers older than six (6) months old may not be honored.

If you are asked to conduct company business using your personal vehicle, you will be reimbursed for mileage at the federally mandated rate. Please obtain approval from your supervisor, and enter this expense on your weekly expense report.

Personal Use of Company Property

In some instances, employees may be allowed to borrow certain Squires Group or Client's tools or equipment for their own personal use. In no instance may this be done on or off The Squires Group and/or Client premises, without prior management approval. You understand and agree that The Squires Group is not liable for any personal injury incurred during the use of company property for personal projects. As a The Squires Group employee, you accept full responsibility for any and all liabilities for injuries or losses, which occur, or for the malfunction of equipment. You are responsible for returning the equipment or tools in good condition and you agree that you are required to pay for any damages that occur while using the equipment or tools for personal projects.

Benefits

The Squires Group is committed to sponsoring a comprehensive benefits program for all eligible employees. In addition to receiving a salary, you may be eligible to enjoy other benefits, which will enhance your job satisfaction. We are certain you will agree the benefits program described in this Employee Manual represents a very large investment by The Squires Group.

A good benefits program is a solid investment in The Squires Group's employees. The Squires Group will periodically review the benefits program and will make modifications as appropriate to the company's condition.

Eligibility for Benefits

If you are a full-time salaried employee, you will enjoy all of the benefits described in this Employee Manual as soon as you meet the eligibility requirements for each particular benefit. Coverage is available to you and your dependents as defined in the benefit summary plan descriptions and other plan documents.

If you are an hourly or part-time employee, you will enjoy only those benefits specifically required by law, provided that you meet the minimum requirements set forth by law and in the benefit plan(s).

Group Insurance

The Squires Group is dedicated to the health and well being of both you and your family. A quality insurance program is available to you and your family. You are eligible for coverage on the first day of the month following your date of hire. Medical coverage through CareFirst BlueCross/BlueShield is effective on the first day of the month following your start date. Dependent coverage can be purchased separately. A prescription drug program and vision insurance are also provided under the medical plan.

Health Insurance Coverage is provided by TSGi for the salaried **employee only**. *All other selected benefits for the employee and/or dependents will be at the employee's expense.*

The following benefits are available, as defined and limited in the literature provided by our insurance company:

- Health Insurance Coverage
- Long Term Disability Insurance
- Short Term Disability Insurance
- Group Term Life Insurance
- Dental Plan

Upon enrolling, you will obtain summary plan descriptions describing your benefits in detail. Applicable employee contributions will be automatically deducted from your paycheck on a monthly basis.

In the event of your termination of employment with The Squires Group or loss of eligibility to remain covered under our group health insurance program, your coverage

will be terminated at midnight on your last day of employment with TSGi. However, you may have the ability to continue your medical coverage through COBRA. Contact Human Resources and talk to our benefits administrator for details.

Leave

Both paid and unpaid time off may be granted to eligible employees, according to the following leave policies. Please consult your Supervisor or Human Resources for further information.

At The Squires Group, we believe in hiring responsible, hard-working employees who recognize the need for a healthy balance between work and home. With this in mind, we offer full-time salaried employees paid time off through accrued vacation and personal time.

The viability of this system is contingent upon clear communication between employees and their respective Supervisors. Please make sure to give your Supervisor enough advance notice of time off to update their project schedule accordingly.

Vacation Time

How Vacation Time is accrued

An employee begins to accrue vacation time on their first day of employment. Vacation time is accrued bi-weekly at the rate of 3.08 hours totaling 80 hours/year. After two years of continuous service, vacation is earned at a rate of 4.61 hours per pay period equaling 120 hours per year. The total amount available and amount accrued that pay period will be noted on your bi-weekly pay stub. Vacation is earned every pay period and is based upon the calendar year. The Squires Group encourages their employees to take full advantage of this benefit, but also recognizes that there may be situations that prevent an employee from utilizing their vacation time within the calendar year. Therefore, The Squires Group will allow full time employees to rollover up to 40 hours of vacation to the next calendar year. Any vacation hours over 40 that are accrued but not used at the end of the calendar year in which they are earned will be forfeited.

Taking Vacation Days

To request time off, employees must complete the Leave Request Form and submit to TSGi corporate office. Employees must request leave from their Supervisor one month **in advance**. **All planned leave is subject to your Client Supervisor's approval.** Vacation time should be charged in **one-hour increments**. Employees are responsible for keeping track of their accrued time off as vacation time may not be borrowed or overdrawn. Employees are still responsible for submitting time sheets for the vacation period with their time appropriately charged to vacation.

Taking Personal Days or Floating Holidays

Each calendar year, all full time employees are eligible for up to 5 personal days and 2 floating holidays. Personal time is accrued bi-weekly at the rate of 1.54 hours with a maximum of 40 hours/year. Floating holidays are prorated. Any employee who joins TSGi on or after July 1st will be granted 1 floating holiday for that year. For planned time off, employees may take personal days or floating holidays with the same amount of notice as regular vacation time and submit a Leave Request Form. If

the employee is ill and not able to make it to work, there is no advance notice requirement, but they must notify TSGi headquarters and their client supervisor immediately. Personal time should be charged in **one-hour increments**. Employees are responsible for keeping track of their accrued time off as personal time may not be borrowed or overdrawn. When using personal time or a floating holiday, employees must submit time sheets for the period with their time charged to either personal time or floating holiday. Personal time may not be overdrawn.

Payout at Termination

If you terminate your employment with The Squires Group, you will be paid for all accrued vacation time you have earned but not used. Personal leave days and holidays (including floating holidays) are not paid out upon termination.

Flex Time

Due to the nature of our business, flexible schedules are possible, but only where approved by the client. However, in all cases, employees must account for 40 hours each week.

Jury or Witness Duty Leave

Upon receiving a summons to report for jury or witness duty, an employee shall on his or her next working day present the summons to his or her immediate superior. The employee shall be excused from employment for the day or days required in serving as a juror or witness in any court created by the United States or any state or commonwealth of the United States.

Either The Squires Group or the employee may request an excuse from jury duty if, in the judgment of The Squires Group, the employee's absence would create serious operational difficulties.

Military Leave of Absence

If you are a full-time employee and are inducted into the U.S. Armed Forces, you will be eligible for re-employment after completing military service in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) of 1994.

To qualify, you must:

1. Show your orders to your Supervisor as soon as you receive them.
2. Satisfactorily complete your active duty service.
3. Enter the military service directly from your employment with The Squires Group.
4. Apply for and be available for re-employment within ninety (90) days after discharge from active duty of 181 days or longer. If you are returning from 31 - 180 days of active duty, you must apply within fourteen (14) days after completing service. For absences of 30 days or less, or for more information about USERRA, please request a copy of the USERRA guidelines or visit: www.osc.gov/userra.htm.

Military Reserves or National Guard Leave of Absence

Employees who serve in U. S. military organizations or state militia groups may take the necessary time off without pay to fulfill this obligation, and will retain all of their legal rights for continued employment under existing laws. These employees may apply

accrued personal leave and unused earned vacation time to the leave if they wish, however they are not obligated to do so.

You are expected to notify your Supervisor as soon as you are aware of the dates you will be on duty so that arrangements can be made for replacement during this absence.

Training

All full time salaried employees are eligible for \$2000 per year in work-related training. In order to qualify, The CEO or President must approve the training expense in writing, before enrollment or registration. In addition, a training reimbursement agreement must be completed and signed by both parties before the beginning of the class.

Retirement

401(k) Plan

The Squires Group provides employees with the valuable opportunity to save for retirement through the 401(k) Plan. The 401(k) Plan allows eligible employees to invest pre-tax dollars in a variety of investment options.

Employees are eligible to participate in the Plan after 30 days of employment, at the next quarterly open enrollment. Employees who decide not to participate in the Plan may opt to join the plan at the next scheduled quarterly open enrollment period. (January 1, April 1, July 1, and October 1).

Through payroll deductions, employees may elect to set aside up to the annual maximum limit determined annually by the IRS. All eligible employees will receive an enrollment packet of information regarding all of the 401(k) Plan options at the time of hire. For additional information, please contact Human Resources.

Workers' Compensation Insurance

The Squires Group provides a comprehensive workers' compensation insurance program at no cost to employees in accordance with applicable state law. Employees who sustain work-related injuries must inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately.

Neither The Squires Group nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by The Squires Group.

Other Benefits

Employee Referral Program

TSGi will pay \$1.00 per billed hour up to a maximum of \$1,500 for every qualified professional that is referred to us and placed in a revenue producing position. In order to qualify, a candidate referral must not currently be in our database system and the candidate referral must be aware that his/her name is being given to TSGi for possible consideration on a job opportunity.

Additionally, TSGi will pay \$1.00 per every hour billed up to a maximum of \$1,500 for a referred project, when an individual is placed on the new project. In order to qualify, TSGi must not be currently aware of the opportunity or marketing to the specific contact at the organization that has the openings.

Referral bonuses will be paid quarterly, in the second pay period of the following month. The total bonus amount is subject to change at the discretion of The CEO and President.

Holiday Schedule

The Squires Group recognizes **7** paid and **2** floating holidays per year. TSGi holidays include the following:

New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving Day	Fourth Friday in November
Christmas Day	December 25

Full time employees, eligible for benefits, will be paid 8 hours for the above holidays. When a holiday is on a Saturday, The Squires Group observes it on Friday. When a holiday is on a Sunday, The Squires Group observes it on Monday.

When the client organization that you are assigned to recognizes an alternative holiday, employees are to take this day as personal or vacation time, or use a floating holiday.

BUSINESS ETHICS POLICY

EMPLOYEE HANDBOOK AMENDMENT

STATEMENT OF OUR CORE VALUES

COMPANY VISION

The Squires Group, Inc.'s (TSGi) company vision is to deliver successful Enterprise Resource Planning, Information Technology, and Business Solutions to a select group of the area's most exciting clients and to provide the region's best and brightest consultants with challenging, local, long-term projects. In addition, we strive to present our staff with a flexible and open work culture that embraces a "get it done while having fun!" atmosphere.

PRINCIPLES

There are four fundamental principles to success in our business. They are: experience, professionalism, integrity and trust. These principles are the solid foundation of TSGi that our clients depend on. These principles are the foundation **from which TSGi has prospered.**

VALUES

1. Professionalism – Treat people the way you would like to be treated.
2. Integrity – Always act with openness and honesty.
3. Trust – Consistently place confidence in and believe in our employees, consultants, and clients.
4. Client and Consultant Value – Strive to understand and meet the client's and consultants expectations and needs every day.

MISSION

To be the most trusted Enterprise Resource Planning (ERP) staffing partner for our clients and consultants in the Mid-Atlantic region

BUILD TRUST AND CREDIBILITY

The success of our business is dependent on the trust and confidence we earn from our employees, customers and stakeholders. We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching company goals solely through honorable conduct. It is easy to say what we must do, but the proof is in our actions. Ultimately, we will be judged on what we do.

When considering any action, it is wise to ask: will this build trust and credibility for TSGi? Will it help create a working environment in which TSGi can succeed over the long term? Is the commitment I am making one I can follow through with? The only way we will maximize trust and credibility is by answering "yes" to those questions and by working every day to build our trust and credibility.

RESPECT FOR THE INDIVIDUAL

We all deserve to work in an environment where we are treated with dignity and respect. TSGi is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our business success. We cannot afford to let anyone's talents go to waste.

TSGi is an equal employment employer and is committed to providing a workplace that is free of discrimination of all types from abusive, offensive or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her manager or to human resources.

CREATE A CULTURE OF OPEN AND HONEST COMMUNICATION

At TSGi everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.

TSGi will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

For your information, TSGi's whistleblower policy is as follows: TSGi is committed to maintaining workplace in which employees are free to raise good faith concerns regarding its business practices. Employees with concerns about any of TSGi business practices should be reported immediately to their supervisor, to Human Resources or to the CEO (Nancy Squires). Employees may report incidents anonymously and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately, and information will be disclosed to others only on a need-to-know basis.

SET TONE AT THE TOP

Management has the added responsibility for demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, managers are responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At TSGi, we want the ethics dialogue to become a natural part of daily work.

UPHOLD THE LAW

TSGi's commitment to integrity begins with complying with laws, rules and regulations where we do business. Further, each of us must have an understanding of the company policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or TSGi policy, we should seek the advice from the resource expert. We are responsible for preventing violations of law and for speaking up if we see possible violations.

COMPETITION

We are dedicated to ethical, fair and vigorous competition. We will sell TSGi services based on their merit, superior quality, functionality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for TSGi or the sales of its services, nor will we engage or assist in unlawful boycotts of particular customers.

PROPRIETARY INFORMATION

It is important that we respect the property rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

SELECTIVE DISCLOSURE

We will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any material nonpublic information with respect to TSGi, its business operations, plans, financial condition, results of operations or any development plan. We should be particularly vigilant when making presentations or proposals to customers to ensure that our presentations do not contain material nonpublic information.

HEALTH AND SAFETY

TSGi is dedicated to protecting the health and provide for the safety and security of its employees. Each employee is responsible for acting in a safe and reasonable manner at work, for obeying any safety rules established by TSGi, and for reporting any unsafe condition to his/her supervisor so that it may be corrected.

AVOID CONFLICTS OF INTEREST

CONFLICTS OF INTEREST

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. At times, we may be faced with situations where the business actions we take on behalf of TSGi may conflict with our own personal or family interests because of the course of action that is best for us personally may not also be the best course of action for TSGi. We owe a duty to TSGi to advance its legitimate interests when the opportunity to do so arises. We must never use TSGi property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with TSGi.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department.

GIFTS, GRATUITIES AND BUSINESS COURTESIES

TSGi is committed to competing solely on a merit of our products and services. We should avoid any actions that create a perception that favorable treatment of outside entities by TSGi was sought, received or given in exchange for personal business courtesies. Specific questions concerning Gifts, Gratuities, and Business Courtesies should be immediately brought to the attention of the CEO or the President before the action occurs.

SET METRICS AND REPORT RESULTS ACCURATELY

ACCURATE PUBLIC DISCLOSURES

We will make certain that all disclosures made in financial reports and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records.

Employees should inform Executive Management and the HR department if they learn that information in any filing or public communication was untrue or misleading at the time it was made or if subsequent information would affect a similar future filing or public communication.

CORPORATE RECORDKEEPING

We create, retain and dispose of our company records as part of our normal course of business in compliance with all TSGi policies and guidelines, as well as all regulatory and legal requirements.

All corporate records must be true, accurate and complete, and company data must be promptly and accurately entered in our books in accordance with TSGi's and other applicable accounting principles.

We must not improperly influence, manipulate or mislead any unauthorized audit, nor interfere with any auditor engaged to perform an internal independent audit of TSGi books, records, processes or internal controls.

PROMOTE SUBSTANCE OVER FORM

At TSGi, we must have the courage to tackle the tough decisions and make difficult choices; secure in the knowledge that TSGi is committed to doing the right thing. At times this will mean doing more than simply what the law requires. Merely because we can pursue a course of action does not mean we should do so.

Although TSGi's guiding principles cannot address every issue or provide answers to every dilemma, they can define the spirit in which we intend to do business and should guide us in our daily conduct.

ACCOUNTABILITY

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if we are uncertain about company policy. If we are concerned whether the standards are being met or are aware of violations of the Code, we must contact the HR department.

TSGi takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

BE LOYAL

CONFIDENTIAL AND PROPRIETARY INFORMATION

Integral to TSGi's business success is our protection of confidential company information, as well as nonpublic information entrusted to us by employees, customers and other business partners. Confidential and proprietary information includes such things as pricing and financial data, customer names/addresses or nonpublic information about other companies, including current or potential supplier and vendors. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.

USE OF COMPANY RESOURCES

Company resources, including time, material, equipment and information, are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace.

Employees and those who represent TSGi are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

In order to protect the interests of the TSGi network and our fellow employees, TSGi reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or TSGi's intranet. We will not tolerate the use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate. Questions about the proper use of company resources should be directed to your manager.

MEDIA INQUIRIES

TSGi is a high-profile company in our community, and from time to time, employees may be approached by reporters and other members of the media. In order to ensure that we speak with one voice and provide accurate information about the company, we should direct all media inquiries to the President, Eric Galasso. No one may issue a press release without first consulting with the President.

INFORMATION AND RESOURCES

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