EMPLOYEE HANDBOOK
Your guide to success at PCF

EFFECTIVE MARCH 2006

www.pcfcorp.com
ABOUT THIS HANDBOOK

This notice applies to all employees regardless of date of hire.

The contents of this handbook are guidelines only and supersede any prior handbook. Neither this handbook nor any other company guidelines, policies or practices create an employment contract. The company has the right, with or without notice, in an individual case or generally, to change any of its guidelines, policies, practices, working conditions or benefits at any time.

No one is authorized to provide any employee with an employment contract or special arrangement concerning terms or conditions of employment unless the contract or arrangement is in writing and signed by the company president. Employment with PCF may be terminated at any time with or without cause or notice by the employee or the company, unless otherwise provided by state statute.
Our vision for PCF is to be the very best at connecting publishers and readers.

We have a clear strategy that depends on the dedicated people that makeup PCF. This handbook is intended to support your success.

To our new employees, congratulations and welcome to the team. And to all of our employees, thank you, as always, for your hard work and contributions to PCF.

Jerry Giordana
President and Chief Executive Officer
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THE FOLLOWING POLICIES ARE IN ADDITION TO, REPLACE OR SUPERSEDE THE POLICIES PRESENTED IN THE PCF EMPLOYEE HANDBOOK.

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Welcome

WELCOME TO PUBLISHERS CIRCULATION FULFILLMENT!

Publishers Circulation Fulfillment, Inc. provides circulation solutions to the publishing industry, and has done so for more than 20 years. We are the largest independent provider of newspaper and magazine home and office delivery services in the nation, distributing more than 1.5 million copies each day. PCF also offers contact center services, both inbound and outbound, which are uniquely dedicated to the publishing industry’s mission to grow, retain and care for its subscribers.

At PCF, you’ll witness what a service-driven organization we are. On every delivery route, on every phone call, we work as a team to ensure the highest quality customer experience possible.

You have joined a team on the move and aiming high. At PCF, we’re proud of our past successes and equally excited about our future opportunities. By working together, we are on our way to becoming the premier fulfillment company in the newspaper circulation industry. Welcome!

About this Handbook

We want you to become familiar with the team you’ve joined - with its history, philosophy, standards, and benefits. This handbook provides general information and guidelines to some of our key employment policies. It is not intended to be comprehensive or to address all possible applications or exceptions. Please review it carefully and keep it handy for easy reference.

From time to time, improvements, additions, deletions, and modifications will be made to policies and procedures to reflect changing business conditions and the needs of our employees. The company also reserves the right to vary from its policies and procedures when it deems it necessary to do so. Human Resources will work to keep you informed of changes as they occur. If you have any questions concerning a policy or practice, please contact your supervisor or a member of Human Resources.

PCF’s Intranet

Our easy to use PCF’s Intranet is one of your primary resources for up-to-date information. There you will find the latest corporate news, useful links, PCF Applications Portal access and more. Throughout this handbook, you will be referred to the Intranet for more specific information or details about specific topics or policies.

PCF’s Intranet is located at: http://pcfweb/Intranet/
GETTING TO KNOW PCF

Our History
Beginning in the early 1970's, Jesse J. Giordana, a Baltimore businessman, began laying the groundwork to create what is today PCF. Mr. Giordana's telemarketing company had a high quality, results-driven reputation throughout the mid-Atlantic region, and was therefore able to attract the venerable New York Times as a client. By 1981, this relationship expanded to create The New York Times's first-ever outsourced customer service operation.

The company soon added home delivery to its list of services; and in 1984, Jesse formally established Publishers Circulation Fulfillment, Inc., creating a national distribution and contact center platform to support The New York Times's circulation efforts across the country.

In 1997, Jerry Giordana became the company's President, and continued to build on PCF's success in distribution and contact center services. By 2001, Jerry became PCF's President and Chief Executive Officer. At the same time, PCF formed a strategic alliance with The Boston Globe and, in 2002, purchased Community Newsdealers Inc., absorbing The Boston Globe's entire distribution services and contact center operations.


How We Are Organized
Like many companies, PCF is made up of several different divisions. And, though these may appear to operate independently, they're actually connected and depend on each other to keep the operation running smoothly. Every contact we have with a customer, whether it is a delivery, a sales call or processing a request, is a unique opportunity to build and strengthen the relationship between that customer and the client's brand. That is our core purpose.

Distribution Services
At over 100 Distribution Centers in over 20 states, over 45 publications count on PCF to deliver over 1.5 million copies nationwide every day, making PCF the largest independent provider of home and office deliveries in the country.

Our Distribution Services staff and a large network of independent contractors are responsible for the reliable delivery of our clients' products to their subscribers seven days a week, 52 weeks a year. Everyone supporting Distribution Services, including our Regional Print Site employees, takes pride in ensuring that when our clients' subscribers wake up, a newspaper is waiting at their doorsteps.

Distributing such a large volume of products across the country from so many clients relies on the work and coordination of a variety of teams and activities beyond each distribution center. PCF has put the people, processes and technology in place to enable delivery at a consistently high level of performance.
Getting To Know PCF

**Contact Centers**
PCF has contact centers in Rockleigh, NJ; Waltham, MA; Revere, MA; Pensacola, FL, and Orland Park, IL. These contact centers provide a variety of sales and customer care services to our clients and their subscribers.

On the Telemarketing side, our performance driven team is dedicated to producing superior results by understanding the products, the brand and the consumer benefits.

In Customer Care, our teams of professionals understand that they are the “voice” of our clients to their subscribers and use their phone engagement, product knowledge and problem resolution skills to ensure customer satisfaction.

It takes a lot to run these operations efficiently and effectively. If you are not selling, or providing service to customers and clients, then you are on one of the contact center teams critical to the planning, preparation, reporting or analysis that makes these operations possible.

**Support Services**

**Finance**
Our Finance group is primarily located at our Corporate Office in Towson, MD, with some employees at each of our contact centers. The teams within the Finance group are responsible for things like payroll, compensation, employee benefits, company insurance, accounts receivable, accounts payable, client billing and independent contractor compensation. These teams work with all our business leaders to ensure the overall financial health of the Company.

**Human Resources**
Our Human Resources group partners with each business unit and helps them achieve their goals by recruiting, and working to develop and retain the most talented employees possible. Human Resources is positioned at each contact center and has a team dedicated to Distribution Services. Our Human Resources team works to provide quality service and support to the organization as a whole, ensuring that PCF is in compliance with all labor laws and that our workplace is a fair and productive one.

**Information Technology**
Our Information Technology group assists all departments to pursue their primary business goals by developing and supporting systems that enable growth, enhance productivity and quality, and result in increased profits. Applications software, helpdesk support, networking, infrastructure security, telecommunications and project management are examples of the services that our Information Technology group provides across the PCF organization.
Our Philosophy

OUR PHILOSOPHY

Success in our business is dependent on people. At PCF, our goal is to create an environment that promotes employee satisfaction and productivity. To achieve this, we believe that every employee has the right to be treated with dignity and respect. We strive to provide effective leadership, to apply our policies fairly and consistently, and to offer competitive wages and benefits.

We encourage you to speak openly with your supervisor or any member of the management team and to raise whatever questions may be on your mind. This kind of openness establishes a healthy climate, one that enables all of us to develop professionally, work together, and achieve our goals.

Compensation Program

The most important element to our success is the contribution made by each of our employees to work together in meeting the business needs of PCF. We are committed to recognizing both individual and collective contributions and have established compensation and benefits practices to ensure that our pay and benefits are:

- **Fair** - We are committed to providing similar compensation for all positions within the same grade.
- **Competitive** - We are committed to working toward pay levels and benefits equivalent to those prevalent for similar positions in comparable organizations.
- **Motivating** - Pay increases will reflect the individual’s performance and the availability of funds for performance based increases.
- **Responsive to changing trends** - Our program is kept up to date through the continued use of independent pay surveys and the periodic evaluation of new or changed jobs.

Length of service and education may either directly or indirectly affect an employee’s compensation, but only to the extent that they enhance the employee’s ability to perform the job more effectively and efficiently.

If you have any questions regarding our compensation program, please discuss them with your supervisor, a member of the Human Resources department, or Finance’s Compensation department.

Standards of Conduct

We expect all employees to behave with maturity, professionalism, and to treat one another with dignity and respect by obeying well-recognized ethical standards of conduct.

Standards of conduct are necessary to make sure everyone has a common understanding of what is expected and to establish a positive work environment. They are not meant to restrict anyone’s rights. Rather, they are designed to protect the rights and safety of all.
Since the Company cannot create a list addressing all possible situations, the behaviors that follow are some common sense examples of conduct that is prohibited. This list is not exhaustive and in no way modifies the at-will nature of your employment at PCF.

- Theft or attempted theft of any property belonging to or service provided by the Company or a fellow employee
- Fighting on Company property
- Falsifying Company records, including, but not limited to, time sheets, expense reports, performance reports, employment applications, insurance claims and benefit applications
- Insubordination
- Using or removing Company property without authorization
- Destruction of, or damage to, Company property
- Careless waste of materials or mishandling of supplies or equipment
- Using, possessing, or selling intoxicants or illicit drugs on Company property
- Reporting to work while under the influence of alcohol or drugs
- Carrying or possessing a weapon of any kind on Company property
- Gambling or soliciting gambling on Company property
- Smoking in prohibited areas
- Sleeping on the job
- Defacing walls, bulletin boards or other Company property
- Horseplay or other disorderly conduct
- Violation of safety regulations or creating hazardous or unsafe conditions
- Use of abusive or threatening language
- Failure to meet standards of performance, attendance, and/or quality
- Abandoning your job
- Unprofessional behavior towards clients, coworkers, or managers
- Lying to a client, coworker, manager, supervisor, customer or vendor.

Any conduct, which is illegal or deemed by the Company to be immoral, unsafe, unethical, or indecent, will not be tolerated and any employee participating in such conduct will be subject to disciplinary action, up to and including termination of employment.
Our Philosophy

PCF and Safety
At PCF, safety is a top priority. We believe that every job, no matter how busy or demanding, can and must be performed safely. Safety is everyone’s responsibility. All of us must do our part to create and maintain a safe, healthy work environment.

PCF is committed to providing you the training, tools, and knowledge you need to perform your job safely. From our employee safety orientation to our routine safety meetings, we keep you informed about new ways to do your job more safely. You may even be asked to participate on one of our safety teams, which oversee working conditions and reinforce our commitment to safety.

Adopt safe working habits from the start:
- Report all accidents, incidents and injuries immediately to your supervisor;
- Know your facility’s evacuation route; PCF’s policy in case of emergency or fire is total evacuation; Practice good housekeeping by straightening up your work area, keeping aisles and doorways clear, ensuring equipment cords and wires are secure and tidy, and properly disposing of all debris and newspaper strapping;
- Only operate equipment that you are trained and authorized to use; under no circumstances are you permitted to operate a powered industrial truck or forklift until you have completed PCF’s forklift operation training, regardless of claimed previous experience.

Visit the Safety section of the PCF Intranet to access the Safety Manual and a series of training briefs on a variety of safety topics.

We are proud of the “Safety Culture” we have created, and ask you to embrace it. At PCF, safety is an attitude. It is the way we conduct business.
YOUR EMPLOYMENT WITH PCF

Equal Employment Opportunity
At Publishers Circulation Fulfillment, we are committed to providing equal opportunity for all applicants and employees with respect to employment, or any terms and conditions of employment, regardless of gender, race, color, religion, age, national origin, sexual orientation, gender identity, pregnancy, childbirth or related medical condition, marital status, citizenship status, veteran status, disability, ancestry, familial status, genetic information or atypical hereditary cellular or blood trait, or any other status protected by applicable Federal, State, or local law.

Employees with Disabilities
PCF complies with all Federal and State disability laws and will make a reasonable accommodation to known physical or mental limitations of a qualified applicant or employee with a disability, unless the accommodation would impose an undue hardship on its operation. Any employee who believes they may require such accommodation should contact a member of the Human Resources department.

Non-Discrimination Policy
PCF complies with Federal, State and local equal employment opportunity laws and strives to keep the workplace free from all forms of discrimination.

If you feel that you have experienced discrimination on the job, you should immediately report the incident to your supervisor or a member of the Human Resources department. Complaints will be investigated immediately and handled as confidentially as possible.

PCF takes any reported violations of the equal employment opportunity law very seriously. Any employee found to have engaged in discriminatory conduct or harassment will be subject to immediate disciplinary action, including termination of employment.

Employment Classifications and Categories
For the purposes of salary administration, eligibility for overtime pay and employee benefits, PCF has the following employee classifications and categories:

Classifications
- **FULL-TIME EMPLOYEE** is someone scheduled to work a minimum of 35 hours per week, exclusive of mealtime. Full-time employees are generally eligible for all Company benefits, subject to the eligibility requirements of each particular plan.
- **PART-TIME EMPLOYEE** is someone assigned to a fixed-work schedule of less than 35 hours per week, exclusive of mealtime. Part-time employees are eligible for some, but not all Company benefits.
- **TEMPORARY EMPLOYEE** is someone who is employed by the Company (either full or part-time) to complete a specific assignment or to fulfill a special need, such as summer coverage. These employees are not eligible for benefits provided by the Company.
Your Employment

Employment Classifications and Categories (continued)

Categories
- **NON-EXEMPT** employees are covered under the provisions of applicable State and Federal wage and hour laws. Employees in this category are paid an overtime premium in accordance with State and Federal law.
- **EXEMPT** employees are those who are exempt from the provisions of State and Federal wage and hour laws, which establish rules for overtime pay. PCF is not required by law to pay these employees for overtime. Executives, supervisors and professional employees are examples of employees who are typically exempt.

Your Human Resource Records
Your local Human Resources department or the Corporate Office maintains records concerning your employment with PCF.

Updating Your Records
If you have a change to your name, address, telephone number, marital status, or citizenship, please notify your supervisor or a member of the Human Resources department so we can maintain the most current information. This also includes changes in your number of dependents, your beneficiary designations, or your contact person in case of emergency.

Release of Information and References
The privacy of your employment and personnel information is very important to us and we endeavor to maintain its confidentiality.

Unless authorized by you or the law, PCF generally does not release any information about you to external sources. If authorized, our policy is only to confirm factual information, such as dates of employment, job title, and annual salary. If you wish PCF to provide information about you to any particular individual or company, please make your request in writing to the Human Resources department.

The Human Resources department is authorized to release personnel information under appropriate circumstances. If you receive a request to provide personnel information about a current or former employee, you should direct the inquiry to the Human Resources department. Only the Human Resources department is authorized to release confidential employee information.

Furthermore, in accordance with Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations, we have enhanced our practice of maintaining the privacy of your personal health information by making changes to our business practices that restrict access to and limit the disclosure of your identity and personal information.

For more information, refer to the *Notice of Privacy Practices* in the *Policies and Reference* section of this handbook and in the *Employee Handbook* section of the PCF Intranet.

To See Your Employee Records
If at any time you would like to see your Human Resources file, please schedule an appointment with your local Human Resources representative. Permission to review your file will be in compliance with applicable State and Federal law.
Family/Personal Relationships at Work

All applicants - including family members of current employees - are evaluated only on the basis of their ability to perform the job they seek. It’s our goal to match individual skills with job requirements. Unless otherwise specified by State law, PCF extends the definition of family members (in this case) to include:

- **Immediate Family** - spouse, child, parent, sibling, grandparent, grandchild
- **Relatives** - aunt, uncle, niece, nephew, first cousin, in-laws, step-relationships
- **Other Relationships** - cohabitation, involvement while employed

To avoid possible conflicts of interest, PCF will try not to place an employee under the supervision of a family member or have family members working in the same department.

In addition, we will make every effort to work with those employees who develop a relationship while employed at PCF. Both employees will be able to keep their jobs, provided:

- They do not work in the same department;
- One does not supervise the other; or
- One is not the supervisor of the other’s supervisor.

If a conflict arises, we will attempt to transfer one of the employees within existing business needs. PCF has absolute discretion in the placement of family members as defined above.

Similarly, it is considered a conflict of interest to contract individuals in a distribution center that is supervised by a family member.
YOUR PAY & BENEFITS

YOUR PAYCHECK
We make every effort to ensure you are paid correctly. Please review your pay stub when you receive it to make sure it is correct, this includes checking your social security number, hours, and all deductions. If you believe a mistake has occurred or if you have any questions, please contact someone from the Human Resources department.

PCF operates on a bi-weekly pay schedule, unless otherwise required by State law. Paychecks cover your previous two weeks of work. A pay week runs from Monday through Sunday.

Distribution Centers
- Paychecks for employees located in Distribution Centers are mailed from the Corporate Office in Towson, MD every other Thursday. When a holiday falls in a pay week, paychecks may be mailed on Friday.

Contact Centers and Corporate
- Paychecks are distributed every other Friday.

Direct Deposit
PCF extends all employees the convenience of direct deposit. Direct deposit saves you time and effort by enabling your paycheck to be automatically deposited and dispersed in up to three bank accounts. Direct Deposit funds are routinely available on the Friday of the pay week, unless impacted by a banking holiday.

For more specific information about direct deposit and enrollment instructions go to the Compensation and Benefits section of the PCF Intranet or contact someone from the Human Resources department.

Deductions and Withholdings
Your payroll stub itemizes deductions made from your gross earnings.

Those we are required to make such as:
- Federal, State and local taxes, garnishments, and levies which are automatically withheld from your paycheck where applicable, and

Those you authorize, such as:
- Contributions to a benefit program, the 401(k) Savings Plan, or a flexible spending account

Any questions with regard to the amounts shown on your paychecks or the various withholdings should be referred to Human Resources or the Payroll department. PCF’s complete Pay Deduction Policy can be found in the Policy and Reference section of this handbook and in the Compensation and Benefits section of the PCF Intranet.

Overtime
As is true with most companies, when we go through periods of high activity, additional work including overtime may be requested or required from all of us. To the best of our ability, overtime will be handled on a voluntary basis. Your supervisor/manager will notify you whenever overtime is necessary and every effort will be made to provide you with adequate notice.
Your Pay & Benefits

The department supervisor/manager must approve all overtime work in advance. Employees with overtime entries that do not have prior approval from their supervisor will be subject to review and possible disciplinary action.

All non-exempt full-time and part-time employees will receive time and one-half their regular rate of pay for all hours worked over 40 hours in a week, unless your State law requires otherwise. Please note that any unpaid leave or paid benefit time (vacation, holiday or sick time) is not be considered hours worked for overtime calculation purposes.

Garnishments/Levies/Child Support
If PCF receives a court order to garnish your wages, we will respond to the order in a confidential and prompt manner.

You may not request PCF to delay or refrain from processing a court-ordered garnishment. Likewise, we must receive legal notification to stop a garnishment of your wages.

If you have questions about a garnishment, please contact someone from Human Resources or the Payroll departments.

BENEFITS HIGHLIGHTS

What follows is a general overview of the PCF benefit plans, practices and procedures. It is not intended to be a complete description of our benefits or exclusions. While you may receive feedback in response to a question about a Company-sponsored benefit plan, none of those responses can modify the terms of the official plan documents, and consequently, do not constitute a promise or guarantee of benefits. If a discrepancy occurs, the official plan documents will prevail.

PCF proudly offers a comprehensive benefit package to its eligible full and part-time employees that helps meet their needs, and the needs of their families at a reasonable cost. Employees share the cost of some of these benefits with PCF, while PCF pays the full cost of others. A full description of the current plans and costs can be accessed via the Compensation and Benefits section of the PCF Intranet or from a member of the Human Resources department.

Health Benefits
In response to the ever-rising costs of health care, PCF has structured its health benefit program to include choices. It is important to us that employees have varied options of coverage and cost so they can build and manage their benefits in a way that most comfortably addresses their own coverage needs with the costs of participating.

The PCF health benefit plan offers:

Full-time Employees:
- Medical
- Prescription
- Vision
- Dental

Part-time Employees:
- Medical
- Prescription
- Vision
- Medical/dental discount card program
Health Benefits (continued)

Eligibility

FULL-TIME EMPLOYEES - If you are an active full-time employee working 35 hours or more per week, you are eligible to enroll in the benefit program.

- Full-time employees become eligible for the benefit options on the first of the month following 30 days of employment.
- Full-time employees must apply for coverage within 30 days from the date of hire. If you do not apply within this timeframe, you may apply as a late entrant. However, you may be subject to pre-existing condition clauses, as permitted by applicable law.

PART-TIME EMPLOYEES - If you are an active part-time employee working an average of 20 hours or more per week, you are eligible to enroll in the benefit options.

- Part-time employees become eligible for the benefit options on the first of the month following 90 days of employment.
- Part-time employees must apply for coverage within 30 days from your date of initial eligibility. If you do not apply within this timeframe, you may apply as a late entrant. However, you may be subject to pre-existing condition clauses, as permitted by applicable law.

Eligible Dependents - Employees eligible for benefits may also qualify to enroll eligible dependents. For more information on dependents eligible for coverage, access the Compensation and Benefits section of the PCF Intranet or contact a member of the Human Resources department.

Changes to Your Benefits

The benefit choices you make as a new hire or upon initial enrollment will remain in place until the next Annual Benefit Renewal or you experience a change in family status; also known as a “qualifying event.”

Qualifying events include:

- Marriage, divorce, or legal separation;
- Change in your employment status; Birth
- or adoption of a child;
- Graduation of a child or child reaches age limit;
- Change in spousal employment status; or
- Death of dependent or death of the employee.

Should one of these events apply to you, it is your responsibility to contact the Human Resources department within 30 days of your change in family status and complete the required enrollment/change form.

Cost of Coverage; Payroll Deductions

PCF pays a portion of your benefit plan premiums. You share in the cost by contributing pre-tax dollars, which are deducted from your paycheck each pay period. Payroll deductions for benefits will begin on the first pay date of the initial effective coverage month.

Visit the Compensation and Benefits section of the PCF Intranet or speak to a member of the Human Resources department for complete details.
401(k) Savings Plan with Company Match
PCF encourages all employees to plan for retirement, no matter how far off that might seem. To help you, PCF offers a 401(k) Savings Plan with a Company match. This plan enables you to save for retirement through pre-tax payroll deductions, which means you save additional money by reducing your tax obligation for the current year.

You manage the money in your 401(k) account by selecting investment options at enrollment and making your desired investment changes over time.

If you are at least 18 years of age and have completed 90 days of employment, you are eligible to enroll in the plan during the next enrollment period. Enrollment is at the beginning of each quarter.

Your contributions to the plan are always 100% vested.

In addition to your contributions, PCF will match 50% of your 401(k) contributions up to a maximum of 6% of your compensation, so your savings will grow that much faster.

The Company contributions to your account are vested in conjunction with your years of service. For every year you work at least 1,000 hours, you are credited with a “year of service.”

The vesting schedule is as follows:

1 year of service 0% vested
2 years of service 25% vested
3 years of service 50% vested
4 years of service 75% vested
5 years of service 100% vested

For complete information about the plan, enrollment, contribution limits, vesting, loans, statements, and general account management, access the Compensation and Benefits section of the PCF Intranet or contact a member of the Human Resources department.

Home Delivery Discounts
The New York Times and The Boston Globe offer all PCF employees a 50% discount towards a home delivery subscription. For more information or to start a discounted subscription, contact a member of the Human Resources department.

Additional Benefits for Full-time Employees
Full-time employees can participate in the following benefits beginning the 1st of the month following (or coinciding with) 30 days of service.

Life Insurance
PCF provides a benefit of one times your basic annual earnings (subject to the current cap) in the event of your death from most causes. There is no cost to you for this benefit.

Voluntary Life Insurance
As a full-time employee you may purchase additional life insurance equivalent to one to four times your annual earnings (subject to the current cap). If you purchase additional life insurance for yourself, then you are eligible to purchase life insurance for your eligible dependents as defined by State law.
Additional Benefits for Full-time Employees (continued)

**Accidental Death and Dismemberment Insurance (AD&D)**
In addition to the regular life insurance, PCF provides all full-time employees a benefit of one times your annual earnings in the event your death comes as a result of an accident, or within 90 days of that accident. This plan also provides coverage for the loss of limbs, sight or paralysis due to accidental injury. There is no cost to you for this benefit.

**Voluntary Accidental Death and Dismemberment Insurance (AD&D)**
As a full-time employee you may purchase additional accidental death and dismemberment insurance equivalent to one to four times your annual earnings (subject to the current cap).

**Short-term Disability Insurance**
PCF provides short-term disability insurance to help protect its full-time employees from the temporary financial consequences of a non-work related accident or illness. There is no cost to you for this benefit.

**Long-term Disability Insurance**
PCF provides long-term disability insurance to help protect its full-time employees who are unable to work due to non-work related accident or illness. There is no cost to you for this benefit. Eligible employees can raise the level of this protection by purchasing additional coverage.

**Flexible Spending Accounts**
A Flexible Spending Account allows full-time employees to pay for eligible dependent care and/or eligible health care expenses not covered by insurance with untaxed salary.

Contributions to these elective accounts are pre-tax and deducted evenly from each paycheck and credited to your account(s) for use over the course of each year. The pre-tax advantage of these accounts comes with specific guidelines and provisions, which require thoughtful planning.

**Tuition Assistance**
PCF is committed to the development and enrichment of our employees. PCF will assist full-time employees with tuition, books, and fees for coursework related to success in a current position or in order to perform in the future with PCF. Full-time employees with at least six months continuous employment are eligible to receive tuition assistance up to the current annual maximum. Employees must obtain prior approval from PCF to receive any benefits under this policy.

**Employee Assistance Program**
PCF is committed to helping its employees and their families maintain an optimum quality of life. To that end, the Company provides full-time employees with an Employee Assistance Program (EAP). The EAP is a confidential resource that helps you find answers to various kinds of personal concerns, offers consultation, support, information and planning, as well as referrals to professional resources in your community. There is no cost to you for these services and it is completely confidential.

Contact information for the Employee Assistance Plan is available in the annual Benefits Handbook, on bulletin board postings, in the Compensation and Benefits section of the PCF Intranet, and from any member of the Human Resources department.
Workers’ Compensation
Our corporate Safety department and local safety teams work hard to make sure that PCF remains a safe place to work. From time to time, accidents do happen. If you suffer a work-related injury or illness, immediately notify your supervisor. He or she will complete a “First Report of Injury” report. The “First Report of Injury” report is a key factor in ensuring you receive the benefits you might be eligible for.

Our Safety department administers workers’ compensation benefits claims. More information on workers’ compensation benefits, including “First Report of Injury” forms, is available in the Safety section of the PCF Intranet or from a member of the Human Resources department.

Complete details of these and all employee benefits are available by accessing the Compensation and Benefits or Safety sections of the PCF Intranet or from the Human Resources department.
EXCELLENCE IN PERFORMANCE

Professional Skills
We expect our employees to be performance focused and develop themselves professionally throughout their career at PCF. Every employee is encouraged to develop and demonstrate the following skills and professional behaviours:

Demonstrate Ownership and Accountability
Every employee can make a difference. The first step in making a difference is an attitude of ownership and accountability. Overcoming business challenges is the responsibility of every employee. Employees who demonstrate ownership and accountability seize opportunities to improve and are leaders serving the business.

Support Team Success
While individual progress and ownership is important, the greatest success comes from teamwork. The ability to work with people of diverse talents and personalities is essential to success at PCF.

Strive for Flexibility and Creativity
Changes in business require flexibility from all of our employees. Extra work may be required to meet deadlines and keep our clients and customers thrilled with our service. In addition to being flexible, being creative is also critical to creating solutions for our business. Our leading employees are among the most flexible and creative.

Display Competence in Work Skills
Every job has fundamental work skills required to be successful. Whether it is excellent customer care and service skills, technical skills or organizing routes for delivery, competence in work skills is essential for our company's success.

Seek Improvement for Self and Department
Continuous improvement is important for business and for individuals. How else do we grow, develop, and improve? It all starts with an attitude that seeks improvement - a winning attitude. There are always things we can improve on, and seeking improvement can make a big difference in all of our work.

Annual Performance Review
At PCF we believe employees should have the opportunity to grow in knowledge, skill, responsibility and earnings over the course of their employment. One element supporting this is the annual performance review. Each year your supervisor will review past performance and work with you to set goals and objectives for the coming year.

Based on the discretion of the Company, PCF generally grants wage increases annually. Increases are based on PCF’s overall financial performance and your individual performance.

Your date of hire may impact the date you are first eligible for a wage increase.

For more details, speak with your supervisor or a member of the Human Resources department.
Career Advancement Opportunities
You want to be successful and so does PCF. We strive to recognize employees who want to advance within the Company and create opportunities for them to do so. Our Human Resources department posts job openings at each site and on the PCF Intranet. We encourage you to discuss your career interests with your manager and with our Human Resources department so we can help you advance your career as best as possible at PCF.

Performance Improvement
The Company has established standards of conduct, safety, and other policies to ensure the safest and most productive working conditions as possible. There are occasions when an employee's behavior or performance falls short of expectations and PCF may be forced to take corrective action. While each circumstance and its severity is different, there are various approaches that may be used to help an employee understand the issue at hand and the consequences if the issue continues.

Generally, we try to take an approach that affords the employee an opportunity to demonstrate sustained improvement by following a progressive order of coaching, counseling, verbal and written warnings. Depending on the nature and severity of the situation, PCF may, in its discretion, bypass or repeat any of these approaches—certain circumstances may warrant immediate termination of employment.

We will engage these performance improvement efforts only where circumstances warrant as determined solely by PCF. They in no way modify the at-will nature of your employment at PCF.

Problem Resolution
PCF strives to create an environment, which provides employees with excellent working conditions and pleasant personal and working relationships. We firmly believe that every employee is essential to the overall success of the Company and must be treated with respect. Over the years we have developed a style of communication which is easy, friendly and informal.

Your willingness to voice problems, suggestions and comments allows us to understand each other better. This relaxed and open manner of communication has always served us well, and we encourage you to be open and honest with your supervisor, manager and all executives.

If you do not wish to speak with your supervisor or manager, you can discuss the problem with a member of the Human Resources department. We will listen and do our best to respond reasonably and promptly.

Ethics Hotline
There may be some situations that make coming forward with an issue or complaint too uncomfortable or difficult. For those situations, PCF has established an independent ethics line.

ETHICS LINE: 800-779-5560

This 24-hour, third-party solution offers the greatest possible safeguard of anonymity and confidentiality when reporting illegal, unethical or questionable issues.

Our hope is that by encouraging communication and establishing a broad network of resources, we will be able to learn of issues quickly and work toward resolution, so we can maintain an environment at PCF that we all feel good about.
ON THE JOB

Your Work Hours
By the nature of our business, PCF operates seven days a week, 365 days a year with extremely varied work schedules. Hours of operation vary by location, department and function. Your supervisor will provide you with information specific to your work hours.

Timekeeping
When you begin working with PCF, your supervisor will discuss with you the timekeeping guidelines at your work site. It is your responsibility to follow these guidelines. If you have any questions about them, please see your supervisor or contact a member of the Human Resources department.

If you are a non-exempt employee, your paycheck is based on the number of hours you work. For that reason, we need to keep an accurate record of your attendance and work hours. (See definition of nonexempt employee.)

You may only record your own work hours. Employees are prohibited from:

- Recording someone else's work hours;
- Allowing someone else to record your work hours; or
- Falsifying time records in any manner.

Any such action may lead to disciplinary action, including termination of employment.

Attendance and Punctuality
Dedicated, capable people are our most precious asset. PCF distinguishes itself from the competition by consistently providing fast and accurate service. To make that happen, it is vital that our employees are prompt and reliable. It is your responsibility to PCF and to your fellow employees to maintain good attendance and be punctual in arriving to work and returning from meal periods and breaks.

If you know you are going to be absent or late, it is your responsibility to notify your supervisor prior to your scheduled starting time. In the case of multiple days of absence, you must contact your supervisor prior to your scheduled start time on each day you are unable to come to work. If you are absent because of an illness, PCF reserves the right to require appropriate medical documentation as to the need for your absence and/or your ability to return to work, before you will be allowed to return to work.

Unreported, unexcused, or excessive absenteeism or lateness is unacceptable and may result in disciplinary action, including termination of employment.

Your supervisor will review the details of the normal attendance policy and expectations for your work group.

Inclement Weather/Emergency Policy
On extreme occasions, inclement weather or emergency situations might force us to temporarily alter our regular schedule of operations. It is important to remain well informed and in close contact with your supervisor regarding the status of our operations throughout the precipitating event.

Distribution Services
The nature of the Distribution Services business is such that altering the schedule of operations is extremely rare and only under the most extreme, unsafe or catastrophic circumstances.
Contact Centers and Corporate Office
We have established emergency contact procedures or phone lines for our contact centers and corporate office to communicate the status of operations and provide direction in the event of extreme weather or emergencies. The complete inclement weather policy is available in the Policy and Reference section of this handbook and in the Contact Center section of the PCF Intranet.

Dress Code
Dress, grooming and personal cleanliness standards contribute to the morale of all employees and affect the business image PCF presents to its customers and visitors. During work hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed will be sent home and directed to return to work in proper attire.

Your supervisor will review the details of the dress code policy and expectations for your work group.

Harassment and Sexual Harassment Prevention
PCF insists that employees enjoy a work environment free from all forms of discrimination and harassment, including sexual harassment. We recognize the rights of all people to seek, obtain, and hold employment without being subject to harassment of any kind in the workplace. Harassment, sexual or not, undermines our deep commitment to the dignity of the individual employee.

We prohibit all forms of harassment, including but not limited to harassment on the basis of gender, race, color, religion, age, national origin, sexual orientation, gender identity, pregnancy, childbirth or related medical conditions, marital status, citizenship status, veteran status, disability, ancestry, familial status, genetic information or atypical hereditary cellular or blood trait, or any other status protected by applicable Federal, State, or local law.

Harassment refers to behavior that:
- Is offensive to a person who is reasonably sensitive and sensible; Fails to respect the rights of another;
- Unreasonably interferes with an employee’s performance and effectiveness; or
- Creates an intimidating, hostile, or offensive work environment.

Harassing conduct includes, but is not limited to:
- Epithets, slurs or negative stereotyping;
- Threatening, intimidating or hostile acts;
- Denigrating jokes and display or circulation in the workplace of written or graphic material (including email) that denigrates or shows hostility or aversion toward an individual or group.

It makes no difference if the harassing conduct is “just joking” or “playful” - it will not be tolerated at PCF.

Sexual Harassment Defined
Sexual harassment is conduct of a sexual nature, by the same or opposite sex, which is unwelcome and persistent or offensive in nature. Sexual harassment includes a range of subtle and not so subtle sexually oriented behaviour that is sufficiently pervasive or severe to unreasonably interfere with an employee’s job performance or create an intimidating, hostile or offensive working environment.
Harassment and Sexual Harassment Prevention (Continued)
PCF will take all steps necessary to prevent the occurrence of sexual harassment or other types of harassment in the workplace.

Retaliation against any employee who has filed a discrimination or sexual harassment complaint or is cooperating in an investigation of a complaint is prohibited and will result in disciplinary action.

Familiarize yourself with the complete Sexual Harassment Prevention Policy in the Policy and Reference section of this handbook. This policy is also in the Employee Handbook section of the PCF Intranet and in the Human Resources department.

All PCF employees must be aware that the prohibition against harassment applies evenly to the treatment of applicants and all individuals, including contractors, doing business with PCF.

If you have any question whether a physical act, statement or joke may cause discomfort to a colleague, whether he or she is the person you are speaking to or within the immediate area, exercise restraint.

Workplace Visitors
To ensure everyone’s safety, a PCF employee must accompany all visitors at all times. Even if they are family members, former employees, or personal friends, they may not wander around our facilities unescorted. Outside of special events, visits should be short and not interfere with normal business operations.

Visitors to the Contact Centers must identify themselves and sign-in at the reception desk.

Visitors to the Distribution Centers must identify themselves to a member of the PCF operational team.

People under the age of 18 are not permitted in our Distribution Centers at any time and are not permitted to accompany employees during delivery at any time.

With the exception of service animals, such as seeing eye dogs, pets are not allowed in any PCF facility at any time.

Business Conduct and Conflict of Interest
We expect all PCF employees to perform their jobs with utmost integrity and to act ethically, in conformity with applicable laws, and in the best interests of the Company. Employees should not use their positions at the Company to personal advantage or subvert the company’s interest to his or her own. Employees must avoid all conflicts of interest or any situation that may do harm to PCF.

Refer to the Policy and Reference section of this handbook for our complete Business Conduct Policy. This policy is also available in the Employee Handbook section of the PCF Intranet.

Electronic Communications and Monitoring
In your job you will have access to a variety of technology, equipment and services to help you work effectively and efficiently.

Keep in mind that these are Company property and are provided in order to support and facilitate Company business. As such, we have established specific procedures and guidelines applying to all electronic media and services that are accessed on or from Company premises, accessed using Company equipment or via Company paid access methods, or used in a manner that identifies the individual with the Company.

These procedures and guidelines are explicit regarding personal use, prohibited activities and software compliance. In addition, PCF may monitor and record certain employee communications and activities. Therefore, employees should not expect privacy when using PCF owned technology, equipment and services.
Please refer to the *Policy and Reference* section of this handbook and familiarize yourself with the complete *Electronic Communications and Monitoring Policy*. This policy is also available in the *Employee Handbook* section of the PCF Intranet.

**Social Media Guidelines**
To assist you in making responsible decisions about use of social media relative to your work at PCF, we have established a policy to guide appropriate use. Basically, the same principles and guidelines found in PCF’s employee handbook and policies, apply to your activities online. You are responsible for what you post online; inappropriate postings will not be tolerated and may subject you to disciplinary action, including termination. Familiarize yourself with the complete policy in the addendum of this handbook.

**Confidential Information**
In your job, you may have access to sensitive and confidential information. You should keep all such Company information confidential. Some examples include, but are not limited to:

- Financial figures or projections;
- Personnel information such as employee compensation and medical information;
- Customer data such as customer lists, distribution lists, contact and account information;
- Client information;
- Information about legal matters;
- Contracts.

Confidential information must not be discussed with anyone other than those individuals authorized to have and use the information. Employees must not share such information with any outside party, unless they receive permission from their supervisor. Employees may not use such information for their own or someone else’s commercial benefit. Misuse or improper disclosure of confidential information may result in disciplinary action up to and including termination of employment.

Based upon position, some employees will be asked to sign an Employee Confidentiality Agreement before accessing such information.

**If you are contacted by the Media**
If you are contacted by the media, regardless of the reason, refer the inquiry to a member of the Senior Leadership Team. We prefer that only authorized members of the leadership team provide information or comment on PCF business matters.

**Purchasing Card (P-Card)**
A purchasing card (P-Card) is a credit card issued to a small group of supervisors and managers for the purpose of making low-dollar purchases of routine supply items from PCF approved merchant-types and preferred vendors.

The P-Card is to be used for PCF authorized purchases only and is not for personal use. All purchases must be reconciled with corresponding receipts and explanations in accordance with the *Purchasing Card Policy*.

Any misuse of the P-Card or failure to provide adequate documentation may result in revocation of P-Card privileges, disciplinary action and/or payment of the transactions by the cardholder.

If you are eligible to receive a P-Card, you will receive a copy of the complete *Purchasing Card Policy*. More information regarding the *Purchasing Card Policy* is available in the *Finance* section of the PCF Intranet.
Travel and Entertainment

PCF will reimburse you for necessary and reasonable expenses incurred while conducting Company business. These may include costs for meals, lodging, transportation, and business-related expenses.

PCF has a comprehensive *Travel and Entertainment Policy* that includes, but is not limited to:

- Corporate Credit Cards (usage, payment);
- Expense Reports (requirements, authorization);
- Detailed listings of reimbursable vs. non-reimbursable expenses;
- Travel Policy (AMEX Travel Services, air/rail travel, rental cars, lodging);
- Ground transportation (personal car usage, parking, tolls, taxis, etc.);
- Business meals and entertainment.

It is your responsibility to review the complete PCF *Travel and Entertainment Policy* before incurring a business expense. The complete policy is available in the *Finance* section of the PCF Intranet and from your manager or Human Resources.

Auto Policy

When operating a vehicle on PCF business, the Company expects you to drive safely, exercise good judgment, and be courteous toward pedestrians and your fellow drivers. Remember the name and reputation of PCF ride with you.

All employees who operate a vehicle on PCF business must:

- Maintain a valid driver’s license in their state of residence and required levels of insurance;
- Provide the Company with a copy of their driving record prior to employment and periodically upon request.

An employee driving on Company business, whether in a personal or Company car, may be subject to disciplinary action, including termination, for infractions from personal driving history, including, but not limited to:

- An incident of reckless driving or driving while intoxicated;
- Two or more at-fault accidents within a three year period;
- One at-fault accident and moving violation within a one year period; Two moving violations within a one year period; or
- Any other act that exhibits unsafe driving habits.

If you are eligible to operate a PCF vehicle or your job requires driving, you will receive a copy of the complete *Auto Policy* and a *Fair Credit Reporting Act* release form. For more information on our *Auto Policy*, please look in the *Safety* section of the PCF Intranet or contact the Safety department at the Corporate Office.
TIME AWAY FROM WORK  (PDS EMPLOYEES SEE ADDENDUM)

Vacation Time
To help our employees balance work and the need for rest and relaxation, PCF provides paid vacation time for all full and part-time employees.

You begin accruing vacation time from your first day of employment and are eligible to begin taking this paid time once you have completed three months of continuous service. Vacation pay is at your regular rate of pay and is accrued based on your actual hours worked.

Vacation time increases with your years of service.

<table>
<thead>
<tr>
<th>Length of Service:</th>
<th>Annual maximum Vacation for Full-time Employees:</th>
<th>Annual maximum Vacation for Part-time Employees:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than five years</td>
<td>Two weeks</td>
<td>One week</td>
</tr>
<tr>
<td>Five to nine years</td>
<td>Three weeks</td>
<td>Two weeks</td>
</tr>
<tr>
<td>10 years or more</td>
<td>Four weeks</td>
<td>Three weeks</td>
</tr>
</tbody>
</table>

Vacation requests are granted on a first-come, first-served basis. Submit your request for vacation time to your supervisor with as much notice as possible, preferably 30 days. We will do our best to accommodate your vacation wishes, in balance with the department’s operational needs.

You may request to apply earned vacation time if you are ill and have exhausted paid sick leave or are on certain unpaid leaves of absence.

Your total accrued vacation is limited to twice the annual maximum noted above. If you reach the maximum, you will stop accruing vacation until time is taken and the balance falls below this limit.

Vacation time cannot be exchanged for pay, except at termination of employment. If you decide to leave PCF, any accrued vacation balance, up to the maximum, not used by the date your employment ends, will be paid at your current pay rate.

Paid Holidays
Due to the nature of our business and to respect the varied needs of our diverse workforce, PCF established a holiday pay policy that includes six fixed paid holidays and two floating paid holidays to be scheduled as each employee desires.

Regardless of variance in daily scheduled hours, for the purpose of paid holiday time, a workday for full time employees is defined as 8 hours; for part time employees a workday is defined as 6 hours. Holiday pay is at the employee’s regular pay rate.

Eligibility
Exempt employees are eligible from their date of hire.

Non-Exempt employees are eligible after completing 30 days of continuous employment.

Separate from approved time off, holiday entitlement for non-exempt employees is based on working the majority of their shift on the scheduled day before, the day of, if applicable, and the scheduled day after the holiday. Failure to do so will be addressed by their manager.

If you are on any type of leave (including sick leave or personal leave), suspension or layoff, you are not eligible for holiday pay.
Paid Holidays (Continued)
Fixed holidays will be according to actual calendar dates; exceptions will be building, office and/or department closures.

The fixed holidays observed by PCF are:
- New Year’s Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

PCF operates 365 days a year and therefore, sometimes you may be expected to work on a holiday. We will try our best to accommodate your need for time off. To avoid problems, please arrange your time off with your supervisor as early as possible. The most likely scenarios will be handled as follows:

**If a fixed holiday falls on a normally scheduled workday and you are not required to work:**
- Full time employees will receive 8 hours of holiday pay.
- Part time employees will receive 6 hours of holiday pay.

**If a fixed holiday falls on a normally scheduled workday and you are required to work:**
- Exempt employees will be scheduled for another day off within two pay periods of the holiday.
- Non-exempt employees will receive pay for actual hours worked and either holiday pay (8 hours for full time employees; 6 hours for part time employees) OR another day off within the holiday pay period, depending on business needs.

**If a fixed holiday falls on a day you are not normally scheduled to work:**
- Exempt and non-exempt employees will receive another day off within two pay periods of the holiday.

Floating Holidays
Renew annually at the start of the calendar year.

A floating holiday may only be taken as a full day off, not as multiple partial days.

**Employees hired on or prior to June 30th of the current year:**
- Full time employees are granted 16 hours, which must be taken over two 8 hour days
- Part time employees are granted 12 hours which must be taken over two 6 hour days

**Employees hired on or after July 1st of the current year:**
- Full time employees are granted 8 hours, which must be taken as one 8 hour day
- Part time employees are granted 6 hours which must be taken as one 6 hour day

Floating holiday requests are granted on a first-come, first-served basis. Submit your request for floating holiday time to your supervisor with as much notice as possible. We will do our best to accommodate your request, in balance with the department’s operational needs.

Unless otherwise required by State law, floating holidays may not be carried over from year to year, cannot be exchanged for pay and are not paid out upon termination of employment.
Personal Days - **Full-time Employees**

Renew annually at the start of the calendar year.

Personal days may only be taken as full days off, not as multiple partial days.

**Full time employees hired on or prior to June 30th of the current year** are granted 16 hours, which must be taken over two 8 hour days.

**Full time employees hired on or after July 1st of the current year** are granted 8 hours, which must be taken as one 8 hour day.

Personal day requests are granted on a first-come, first-served basis. Submit your request for personal time to your supervisor with as much notice as possible. We will do our best to accommodate your request, in balance with the department’s operational needs.

Unless otherwise required by State law, personal days may not be carried over from year to year, cannot be exchanged for pay and are not paid out upon termination of employment.

**Paid Sick Leave - Full-time Employees**

PCF provides full-time employees a paid sick leave benefit to protect your income in the event you miss work due to occasional health related events.

Full time employees accrue up to 48 hours (6 days) paid sick leave days over the course of a year.

You become eligible for this benefit after 30 days of employment.

Sick leave is paid at your regular rate of pay and is accrued based on your actual hours worked.

Paid sick leave may be used to:

- Recover from a personal illness or disability
- Visit a doctor or other healthcare provider
- Care for an ill family member (parent, spouse, child)
- Accompany a family member (parent, spouse, child) to visit a doctor or other healthcare provider

When taking sick leave, you must:

- Notify your supervisor as soon as possible prior to your scheduled shift
- Call your supervisor every day you’re on leave
- Provide, upon request, a doctor’s certification before you return to work
Paid Sick Leave - *Full-time Employees (continued)*

In case of an illness or injury, you must use your paid sick leave before using other kinds of paid or unpaid leave.

You may accumulate paid sick leave from year to year up to a maximum of 480 hours (12 weeks). Employees whose sick leave balance exceeds the 480 hour cap will not accrue time until their balance falls below the cap.

Accumulated sick leave cannot be exchanged for pay if you leave PCF, unless otherwise provided by State law.

If you shift from full-time to part-time status, you may carry over your accumulated sick leave and use it until it runs out. Part-time employees are not eligible for this benefit.

It is important to recognize that this benefit is intended solely to help protect your income if you must miss work due to health related events. Unless otherwise required by law, it is not excused time-off and is considered an absence. Excessive absence, paid or unpaid, hurts our business and will be addressed in accordance with the attendance policy for your work group.
Time Away From Work

Jury Duty
PCF recognizes jury duty as an important civic responsibility and encourages our employees to fulfill this important obligation. If you are summoned to jury duty, please present a copy of the summons to Human Resources immediately and you will be granted a leave of absence.

Full-time employees will receive six weeks of paid jury duty leave per year. If your jury duty runs beyond six weeks, your remaining leave will be unpaid, unless otherwise required by law.

Part-time employees will be paid up to three days for time taken for jury duty, unless otherwise provided by law.

If you are excused from jury duty, we expect you will return to work no later than the following scheduled workday. When you return to work, receipt of attendance should be presented to Human Resources.

Military Leave
PCF will grant an unpaid leave of absence for up to five years for an employee to perform military service whether voluntarily or involuntarily called for duty, unless State law provides otherwise.

To be eligible for a military leave of absence, an employee must give timely notice of his or her need to perform military service.

Upon return from leave, an employee will be reinstated to the position the employee would have held if his or her continuous employment had not been interrupted or to a position of like seniority, status and pay.

An employee is expected to apply for reinstatement within a set time after release from military service.

- In the case of service less than 31 days, the individual must normally return to work on the first work day after release from military service.
- In the case of service lasting between 31 and 180 days, the individual must normally reapply within 14 days after completing active service.
- In the case of service lasting more than 180 days, the individual must normally reapply within 90 days after the completion of service.

When an employee is on military leave of absence, PCF provides continuation of medical benefits under the same terms as when the employee is actively employed for up to 30 days. During this time, the employee must continue to pay the employee portion of the premium for these benefits. After 30 days, employees are eligible to continue health and dental benefits for an additional 24 months under terms similar to COBRA.

You may be allowed to make-up 401(k) contributions missed while on active duty or extended reserve duty. For more information on 401(k) catch-up contributions, employees should contact the Human Resources department.

For information regarding requirements and options for use of paid benefit time while on leave, please see the LOA/FMLA: Use of Benefit Time chart in the Policies and Reference section of this handbook.
Time Away From Work

Bereavement Leave
In the event of a death in your immediate family, full and part time employees will be paid for up to three days’ absence following the death. If you need more time, please discuss the situation with your supervisor.

Regardless of variance in daily scheduled hours, for the purpose of bereavement leave, a workday for full time employees in defined as 8 hours and a workday for part time employees is defined as 6 hours.

Immediate family in this instance refers to your spouse, domestic partner, parent, child, stepchild, sibling, aunt, uncle, cousin, grandparent, grandchild, father in law, mother in law, brother in law, sister in law, son in law, daughter in law, spouse’s parent and grandparent or as otherwise defined by state law.

Employees on leave of absence are not eligible for bereavement leave.

Family and Medical Leave
The Federal Family and Medical Leave Act (FMLA) was established to help employees faced with the untenable choice between caring for their families or keeping their jobs. Generally, FMLA provides eligible employees up to 12 weeks of unpaid leave per 12 month period of employment for certain medical reasons, for the birth or adoption of a child, or to care for a spouse, child or parent with a serious health condition.

To be eligible, you must:
- Have completed one year of employment at PCF,
- Have worked at least 1,250 hours during the previous 12 months prior to taking any FMLA leave,
- Be employed at a site with 50 or more employees or at a site within 75 miles of other PCF locations and where the combined number of employees is at least 50

PCP's Federal Family Medical Leave Act Policy can be found in the Policies and Reference section of this handbook. Also, some states and localities provide for additional leave or similar leave with different eligibility requirements. Information on those leave provisions appears in the State Specific Appendix section of this handbook. All this information can also be found in the Employee Handbook section of the PCF Intranet.

Requests for family/medical leave must be made to Human Resources in writing with as much notice as possible. Human Resources will work with you through the process and ensure compliance with State and local laws that may provide additional benefits.

While on family/medical leave, PCF will provide continuation of your health insurance benefits, provided you continue to contribute the employee portion of the premium. At the end of the leave, PCF will reinstate you to the same or equivalent job position.

For information regarding requirements and options for use of paid benefit time while on leave, please see the LOA/FMLA: Use of Benefit Time chart in the Policies and Reference section of this handbook.

There are many more details, rights, guidelines and obligations regarding family and medical leave than this brief overview describes. If you are a candidate for FMLA, contact someone from Human Resources to thoroughly understand and work through this process.
Other Leaves of Absence

**Disability Leave of Absence - Full-time Employees**
If you are disabled due to an illness, injury, or are pregnant, and if you are not eligible for family/medical leave under State and Federal law, you may be eligible for an unpaid disability leave of absence.

To be eligible, you must be a full-time employee, and you must have completed at least 90 days of continuous employment at PCF.

For information regarding requirements and options for use of paid benefit time while on leave, please see the LOA/FMLA: Use of Benefit Time chart in the Policies and Reference section of this handbook.

For more details regarding the process, guidelines and obligations associated with a disability leave of absence please contact a member of the Human Resources department.

**Personal Leave of Absence - Full-time Employees**
Under certain circumstances, an unpaid personal leave of absence may be granted to a full-time employee who needs time off to take care of personal affairs. You must be employed with PCF for 12 continuous months to be eligible.

Requests for a personal leave of absence must be made to Human Resources in writing at least four weeks prior to your desired date of leave, or with as much notice as possible. Each request will be handled on an individual basis.

For information regarding requirements and options for use of paid benefit time while on leave, please see the LOA/FMLA: Use of Benefit Time chart in the Policies and Reference section of this handbook.

For more details regarding the process, guidelines and obligations associated with a personal leave of absence please contact a member of the Human Resources department.
AT THE WORKPLACE

Bulletin Board Postings
Every PCF facility has a bulletin board where we post important notices and items of general interest. Here you'll find up-to-date news on PCF, as well as required Federal, State, and local workplace policy notices. Be sure to review this board regularly. You are responsible for adhering to all policies posted there.

The bulletin board is for Company-released information only. Please do not post personal notices on it.

We want our board to carry the information you need, so if there's something work-related you'd like to see posted, please recommend it to Human Resources.

Solicitation, Distribution, and Trespassing
In an effort to maintain a professional atmosphere and minimize disruption of our services, PCF does not allow the solicitation of an employee by another employee if either is on working time. Also, the distribution of any material of any kind is not permitted on working time or in working areas unless these are Company-approved documents.

Employees are not permitted to use the Company's telephones, fax machines, computers, e-mail systems, and other communication devices for distributing material unrelated to PCF and its business.

Solicitation, distribution, and trespassing by non-employees on PCF premises are prohibited. If you discover someone other than a PCF employee soliciting, distributing material unrelated to PCF business, or trespassing, please notify your supervisor or the Human Resources department.

Telephone Use

Personal Calls
The nature of our business requires communication systems that support our operations with reliability, speed and efficiency. No matter what part of the business you are working in, successful service delivery depends on effective and up to the minute communication. Telephone access is key to achieving this.

Contact center employees are not permitted to make or receive personal calls from any phone system dedicated explicitly to inbound and/or outbound contact center operations.

In all our facilities, the occasional personal call on a general office phone is permitted, as long as you have your supervisor's approval. However, please be mindful that these phones are provided for PCF business. We ask that you limit personal calls and use good judgment regarding their nature and length.

Cell Phones
While at the workplace, the use of personal cell phones should be kept to a minimum and is not permitted in open work areas, lobbies, hallways, and conference rooms.

Use of cell phones in general should be done thoughtfully with respect to the disruption it may cause to the business operation or those around you.

If there is a personal reason why you need to use a cell phone at work, please discuss the matter with your supervisor or someone from the Human Resources department.
Mail Monitoring Policy
Virtually all mail and packages delivered to our locations pertain to our business. This is true, even if the mail or packages are addressed to an individual or marked “Personal and Confidential.” For this reason, we will open all mail delivered to a PCF location. Please have all personal mail sent to your home. If personal mail is delivered to a PCF location, we will stop reading it and deliver it to you promptly, once we determine that the contents are personal in nature and unrelated to PCF business.

Smoking Policy
All PCF facilities have been designated as smoke-free. If you wish to smoke, you must do so outside the building.

The only exceptions to this smoke free policy are those required by applicable State law.

Off-Duty Access
For your protection and safety, employees and their visitors are not permitted in PCF facilities or work areas when they are off duty, unless they have received authorization.

People under the age of 18 are not allowed in our Distribution Centers at any time.

Drug and Alcohol Policy
PCF strictly prohibits the use, sale, possession, or distribution of any illegal substance while at work, on PCF premises, in Company vehicles, or while conducting PCF business.

The Company prohibits employees from reporting to work or working while under the influence of illegal drugs or alcohol. The misuse of prescribed drugs is also prohibited.

Any employee who violates this policy may be subject to disciplinary action, including termination of employment.

If you have reason to believe that a co-worker is in violation of the Company’s drug and alcohol policy, you must bring it to your supervisor’s attention immediately.

The use of controlled substances as prescribed to you by a licensed physician is not prohibited by this policy. However, if a physician has prescribed medication that requires any accommodation, please notify your supervisor or Human Resources to discuss what accommodations may be necessary.

Workplace Violence Policies
PCF strives to foster a safe work environment that is free of fear, intimidation, and violence. As such, PCF has established policies addressing violence in the workplace, zero tolerance and weapons in the workplace.

Any intentional act of intimidation, threat of violence, or act of violence committed against any person or to the property of another while on PCF property is strictly prohibited.

Equally, the possession of any type of weapon on company premises, in company parking lots, company cars, and any other location while on company related business is absolutely prohibited.

Violation of any of these policies will result in disciplinary action up to and including termination of employment. The complete policies can be found in the Policies and Reference section of this manual and in the Safety section of the PCF Intranet.
Company Equipment
Every employee of PCF relies on a variety of equipment to do his or her job safely, efficiently and successfully. Forklifts, computers, pallet-jacks, headsets and a host of other Company equipment are critical to our daily operations.

It is important that we take good care of all Company equipment and use it safely and appropriately by:

- Following instructions;
- Using equipment only for its designated purposes;
- Reporting all problems immediately to your supervisor;
- Protecting the equipment as if it were your own.

Misuse or mistreatment of Company equipment will result in disciplinary action, including termination of employment.

Powered Industrial Trucks and Operators
It is the policy of PCF to permit only trained and authorized personnel to operate powered industrial trucks. This policy is applicable to both daily operators and those who occasionally use a powered industrial truck.

Employees who have successfully completed the training and operational instruction will be issued a certificate of completion and must have this certificate with them at all times while operating powered industrial trucks.

Managers and supervisors are responsible to train and monitor employees on the use of industrial trucks, ensure re-training occurs every two years, and comply with all vehicle checklist and record keeping standards. Additional information can be found in the Safety section of the PCF Intranet.
IF YOU LEAVE US

If you decide to terminate your employment with PCF, we request that you provide your supervisor with as much notice as possible. It is customary to provide a minimum of two weeks notice and your thoughtfulness in doing so will be appreciated.

Benefits
Your coverage under all benefit programs, except disability, Company paid life insurance and AD&D, ends on the last day of the month you end your employment. Disability benefits, Company paid and supplemental life insurance and AD&D end on your last day of employment.

- Participants in health, prescription, vision and/or dental benefits can apply for continuing coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). This allows you, in most circumstances, to continue coverage for up to 18 months, provided you pay the premium. A COBRA application and instructions will be sent to your home within 30 days of your last day of employment.

- If you have chosen supplemental life insurance and/or supplemental AD&D coverage, you can convert these into personal policies by contacting the Corporate Benefits department. Otherwise, these benefits end on your last day of employment.

- If you participate in the PCF 401(k) Retirement Plan, you will receive information from the Corporate Benefits department regarding options for rollover or distribution.

- If you established a Flexible Spending Account(s), participation ends on your last day of employment. You have up to 90 days to submit claims for expenses incurred prior to your last day of employment.

- If you have been approved for tuition reimbursement, you must complete the coursework prior to termination of employment in order to be reimbursed. You will have up to 30 days after termination to submit your request for reimbursement of any approved classes.

- You are entitled to receive all accrued and unused vacation pay, up to the maximum allowed, as of the date of last day worked, provided you have been employed by PCF for six months, unless otherwise provided by State law.

Exit Interview
We’re interested in hearing your reasons for leaving PCF and gaining perspective on your employment experience with us. When you notify PCF of your intention to leave, you may be asked to participate in an exit interview or someone from Human Resources may contact you. In addition, you may complete the online version of the exit interview available in the Employee Handbook section of the PCF Intranet. We greatly appreciate your cooperation and candor.
If You Leave Us

**PCF Property**
You must return all Company keys, key tags, identification, equipment and any other PCF property to us upon termination of employment before or when you receive your final paycheck. This includes documents, computer files and all copies that contain confidential information, such as, but not limited to:

- Financial figures or projections;
- Personnel information;
- Customer information, customer lists, distribution lists;
- Client information;
- Contracts;
- Information about legal matters.

**Final Paycheck**
Unless State law dictates otherwise, your final paycheck will be issued according to our normal payroll cycle. This final paycheck may include the balance of any vacation pay to which you are entitled; otherwise a separate check will be issued. **All final pay will be made in the form of a check, not a direct deposit. Final pay will be mailed to your current address on file, unless State law requires otherwise.**

If you would like your final paycheck mailed to an alternate address, please make that request in writing to Human Resources.
POLICIES & REFERENCE

Policies contained here:
Notice of Privacy Practices ........................................................................................................................38
Pay Deduction Policy................................................................................................................................43
Inclement Weather Policy (updated Jan 2012) ..........................................................................................46
Sexual Harassment Prevention Policy.......................................................................................................48
Business Conduct Policy...........................................................................................................................51
Electronic Communications & Monitoring Policy .........................................................................................52
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LOA/ FMLA: Use of Paid Benefit Time .......................................................................................................68
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NOTICE OF PRIVACY PRACTICES

The privacy practices described in this notice applies to the group health plan sponsored by Publishers Circulation Fulfillment, Inc. (the “Plan”). The Plan is required by the Federal law known as the Health Insurance Portability and Accountability Act (referred to as the HIPAA Privacy Rule) to make reasonable steps to ensure the privacy of your personally identifiable health information (Protected Health Information) and to inform you about:

- your Plan’s uses and disclosures of Protected Health Information;
- your privacy rights with respect to your Protected Health Information;
- your right to file a complaint with your Plan and to the Secretary of the U.S. Department of Health and Human Services; and
- the person or office to contact for further information about your Plan’s privacy practices.

Use and Disclosure of Protected Health Information

Except as otherwise described in this notice or otherwise permitted under the HIPAA Privacy Rule, uses and disclosures of Protected Health Information will be made only with your written authorization subject to your right to revoke such authorization.

Uses and Disclosures to Carry Out Treatment, Payment and Health Care Operations

The HIPAA Privacy Rule permits the Plan and its respective Business Associates to use Protected Health Information without your consent, authorization, or opportunity to agree or object, to carry out Treatment, Payment and Health Care Operations.

- **Treatment** is the provision, coordination or management of health care and related services. For example, a Business Associate of the Plan may disclose to a treating orthodontist the name of your treating dentist so that the orthodontist may ask for your dental X-rays from the treating dentist.

- **Payment** includes but is not limited to actions to make coverage determinations and payment (including billing, claims management, subrogation, plan reimbursement, reviews for medical necessity and appropriateness of care and utilization review and pre-authorizations). For example, a Business Associate of the Plan may tell a doctor whether you are eligible for coverage or what percentage of the bill will be paid by the Plan.

- **Health Care Operations** include but are not limited to quality assessment and improvement, reviewing competence or qualifications of health care professionals, underwriting, premium rating and other insurance activities relating to creating or renewing insurance contracts. For example, the Plan may use information about your claims to refer you to a disease management program, project future benefit costs or audit the accuracy of its claims processing functions.
Uses and Disclosures That Require Your Written Authorization
Your written authorization is generally required before the Plan will use or disclose psychotherapy notes about you from your psychotherapist. Psychotherapy notes are separately filed notes about your conversations with your mental health professional during a counseling session. They do not include summary information about your mental health treatment. The Plan may use and disclose such notes when needed by the Plan to defend against litigation filed by you.

Uses and Disclosures That Require That You Be Given An Opportunity to Agree or Disagree Prior To The Use or Release
Disclosure of your Protected Health Information to family members, other relatives and your close personal friends is allowed if:
- the information is directly relevant to the family or friend's involvement with your care or payment for that care; and
- you have either agreed to the disclosure or have been given an opportunity to object and have not objected.

Uses and Disclosures For Which Consent, Authorization or Opportunity to Object Is Not Required
Use and disclosure of your Protected Health Information is allowed without your consent, authorization or request under the following circumstances:
- When required by law.
- When permitted for purposes of public health activities, including if you have been exposed to a communicable disease or are at risk of spreading a disease or condition, if authorized by law.
- When authorized by law to report information about certain abuse, neglect or domestic violence to public authorities.
- For public health oversight activities authorized by law. For certain judicial or administrative proceedings.
- For certain law enforcement purposes.
- To a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death or other duties as authorized by law; and funeral directors, consistent with applicable law.
- The Plan may use or disclose Protected Health Information for research, subject to conditions.
- For the purpose of facilitating organ, eye or tissue donation or transplantation.
- When consistent with applicable law to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.
- To the extent necessary to comply with workers' compensation or other similar programs established by law.
Required Uses and Disclosures
Upon your request, your Plan is required to give you access to certain Protected Health Information in order to inspect and copy it. Under certain circumstances, however, the Plan may deny your request.

Use and disclosure of your Protected Health Information may be required by the Secretary of the Department of Health and Human Services to investigate or determine the Plan’s compliance with the privacy regulations.

Rights of Individuals
In the event any of the following rights require you to submit a written request to exercise such right, you must submit such request to the Privacy Officer, 22 West Pennsylvania Ave., Suite 505, Towson, MD 21204.

Right to Request Restrictions of Protected Health Information Uses and Disclosures
You may request that your Plan restrict uses and disclosures of your Protected Health Information to carry out Treatment, Payment or Health Care Operations, or to restrict uses and disclosures to persons identified by you who are involved in your care or payment for your care. However, the Plan is not required to agree to your request.

Your Plan will accommodate reasonable requests to receive communications of Protected Health Information by alternative means or at alternative locations. You or your personal representative will be required to complete a form to request restrictions on uses and disclosures of your Protected Health Information.

Right to Inspect and Copy Protected Health Information
You have a right to inspect and obtain a copy of your Protected Health Information contained in a “Designated Record Set,” for as long as your Plan maintains the Protected Health Information.

- “Designated Record Set” includes enrollment, payment, billing, claims adjudication and case or medical management record systems maintained by or for a health plan, or other information used in whole or in part by or for the Covered Entity to make decisions about individuals. Information used for quality control or peer review analyses and not used to make decisions about individuals is not in the Designated Record Set.

The requested information will be provided within 30 days for on-site information and within 60 days for off-site information. A single 30-day extension is allowed if your Plan or its Business Associates are unable to comply with the deadline. Your Plan will charge a reasonable, cost-based fee to cover the cost of providing copies.

You or your personal representative will be required to complete a form to request access to the Protected Health Information in your Designated Record Set. If access is denied, you or your personal representative will be provided with a written denial setting forth the basis for the denial, a description of how you may exercise those review rights and a description of how you may complain to the Secretary of the U.S. Department of Health and Human Services.

Right to Amend Protected Health Information
You have the right to request your Plan to amend your Protected Health Information or a record about you in a Designated Record Set for as long as the Protected Health Information is maintained in the Designated Record Set.
Notice Of Privacy Practices

The Plan has 60 days after the request is made to act on the request. A single 30-day extension is allowed. If the request is denied in whole or part, your Plan must provide you with a written denial that explains the basis for the denial. You or your personal representative may then submit a written statement disagreeing with the denial and have that statement included with any future disclosures of your Protected Health Information.

You or your personal representative will be required to complete a form to request amendment of the Protected Health Information in your Designated Record Set. Any request for an amendment must be in writing and provide a reason to support a requested amendment.

The Right to Receive an Accounting of Protected Health Information Disclosures
Upon your written request, your Plan will also provide you with an accounting of disclosures by the Plan of your Protected Health Information during the six years prior to the date of your request. However, such accounting need not include Protected Health Information disclosures made: (1) to carry out Treatment, Payment or Health Care Operations; (2) to individuals about their own Protected Health Information; (3) prior to the compliance date; or (4) based on your written authorization.

If the accounting cannot be provided within 60 days, an additional 30 days is allowed if the individual is given a written statement of the reasons for the delay and the date by which the accounting will be provided. If you request more than one accounting within a 12-month period, your Plan will charge a reasonable, cost-based fee for each subsequent accounting.

A Note About Personal Representatives
You may exercise your rights through a personal representative. Your personal representative will be required to produce evidence of his/her authority to act on your behalf before that person will be given access to your Protected Health Information or allowed to take any action for you.

Your Plan retains discretion to deny access to your Protected Health Information to a personal representative to provide protection to those vulnerable people who depend on others to exercise their rights under these rules and who may be subject to abuse or neglect.

Your Plan’s Duties
Your Plan is required by law to maintain the privacy of Protected Health Information and to provide participants and beneficiaries with notice of its legal duties and privacy practices. This notice is effective beginning April 14, 2004 and the Plan is required to comply with the terms of this notice. However, the Plan reserves the right to change its privacy practices and to apply the changes to any Protected Health Information received or maintained by the Plan prior to that date.

If a privacy practice is changed, a revised version of this notice will be provided to all past and present participants and beneficiaries for whom the Plan still maintains Protected Health Information. The revised notice in the proceeding sentence shall be provided by first class mail to a participant or beneficiary’s last known address. Any revised version of this notice will be distributed within 60 days of the effective date of any material change to the uses or disclosures, the individual’s rights, the duties of your Plan or other privacy practices stated in this notice.

Minimum Necessary Standard
When using or disclosing Protected Health Information or when requesting Protected Health Information from another Covered Entity, the Plan will make reasonable efforts not to use, disclose or request more than
Minimum Necessary Standard (continued)

the minimum amount of Protected Health Information necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations. However, the minimum necessary standard will not apply in the following situations:

- Disclosures to or requests by a health care provider for treatment;
- Uses or disclosures made to the individual or pursuant to your authorization;
- Disclosures made to the Secretary of the U.S. Department of Health and Human Services; Uses or disclosures that are required by law; and
- Uses or disclosures that are required for the Plan’s compliance with legal regulations.

In addition, your Plan may use or disclose enrollment information to the “Company” (Publishers Circulation Fulfillment, Inc.) as well as “summary health information” for obtaining premium bids or modifying, amending or terminating the group health plan, which summarizes the claims history, claims expenses or type of claims experienced by individuals for whom a member of the Company has provided health benefits under a group health plan, and from which identifying information has been deleted in accordance with HIPAA. Your Plan may also disclose Protected Health Information to the Company for treatment, payment or health care operations as permitted under HIPAA.

Your Right to File a Complaint With the Plan or the HHS Secretary

If you believe that your privacy rights have been violated, you may complain to your Plan in care of the following officer: Privacy Officer, 22 West Pennsylvania Ave., Suite 505, Towson, MD 21204 or you may call (410) 821-8614.

You may file a complaint with the Secretary of the U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue S.W., Washington, D.C. 20201. Your Plan will not retaliate against you for filing a complaint.

Additional Information

If you have any questions regarding this notice or the subjects addressed in it, you may contact the following officer: Privacy Officer, 22 West Pennsylvania Ave., Suite 505, Towson, MD 21204 or you may call (410) 821-8614.

The HIPAA Privacy Rule is set out at 45 Code of Federal Regulations Parts 160 and 164. These regulations and additional information about the HIPAA Privacy Rule are available at http://www.hhs.gov/ocr/hipaa/.
Pay Deduction Policy

**PAY DEDUCTION POLICY**

PCF’s policy and practice is to accurately compensate employees and to do so in compliance with all applicable State and Federal laws. To ensure that you are paid properly for all time worked and that no improper deductions are made, you must record correctly all work time and review your paychecks promptly to identify and to report all errors.

**Review Your Pay Stub**

We make every effort to ensure PCF employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections necessary. Please review your pay stub when you receive it to make sure it is correct. If you believe a mistake has occurred or if you have any questions, please use the reporting procedure outlined below.

**Non-exempt Employees** are those employees who are not exempt from the minimum wage and overtime pay provisions of the Fair Labor Standards Act of 1938 and applicable State law.

If you are classified as a non-exempt employee, a record of the total hours you work each day must be maintained. The method by which your time is recorded and verified depends upon the department or location in which you work. When you receive each pay check, please verify immediately that you were paid correctly for all regular and overtime hours worked each work week.

PCF appreciates hard work and dedication. Due to wage and hour laws, however, you should not work any hours that are not authorized. Do not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless you are authorized to do so and that time is recorded or submitted. Employees are prohibited from performing any “off-the-clock” work. “Off-the-clock” work means work you may perform but fail to report on your time record. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including termination of employment.

It is a violation of PCF’s policy for any employee to falsify a time record, submit a false time record (orally or in writing) or to do so on behalf of another employee. Because of the sensitivity of time recording, unless authorized to do so, it is also against PCF policy to submit or record any time records on behalf of another employee. It is also a serious violation of PCF’s policy for any employee or manager to instruct another employee to incorrectly or falsely report hours worked or alter another employee’s time record to under or over-report hours worked. If any manager or employee instructs you to: (1) incorrectly or falsely under or over-report your hours worked, or (2) alter another employee’s time records to inaccurately or falsely report that employee’s hours worked, you should report it immediately to the Human Resources department. Any manager or employee who falsely reports hours worked will be subject to disciplinary action, up to and including termination of employment.
Review Your Pay Stub (continued)

Exempt Employees are those employees who are exempt from the Fair Labor Standards Act of 1938 (FLSA) and applicable State law minimum wage and overtime provisions due to the type of duties performed. This includes executives, administrative employees, professional employees and those engaged in outside sales as defined by the FLSA.

If you are classified as an exempt salaried employee, you will receive a salary, which is intended to compensate you for all hours you may work for PCF. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time to time, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work that you perform. Under Federal and State law, your salary is subject to certain deductions. For example, absent contrary State law requirements, your salary can be reduced for the following reasons:

- Full day absences for personal reasons;
- Full day absences for sickness or disability;
- Full day disciplinary suspensions for infractions of our written policies and procedures;
- Family and Medical Leave absences (either full or partial day absences);
- To offset amounts received as payment for jury and witness fees or military pay;
- The first or last week of employment in the event you work less than a full week;
- Your salary may also be reduced for certain types of deductions such as your portion of health, dental or life insurance premiums; state, Federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan. Additional deductions may include disability, Federal spending account, garnishments, or repayment of 401(k) loan. In any workweek in which you performed any work, your salary will not be reduced for any of the following reasons:
  - Partial day absences for personal reasons, sickness, disability, jury duty or military leave;
  - You will not be denied pay for a holiday if you are absent on the day before or after the holiday;
  - Because the facility is closed on a scheduled work day;
  - Any other deductions prohibited by State or Federal law;

Please note: it is not an improper deduction to reduce an employee's accrued vacation, personal or other forms of paid time off for full or partial day absences for personal reasons, sickness or disability.

To Report Concerns or Obtain More Information

If you have questions about deductions from your pay, please immediately contact someone from the Human Resources department. If you believe you have been subject to any improper deductions or your pay does not accurately reflect your hours worked, you should immediately report the matter to your supervisor. If your supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact the Compensation Manager, Payroll Manager, or any other supervisor in the company with whom you feel comfortable. If you are unsure of whom to contact if you have not received a satisfactory response within five business days after reporting the incident, please immediately contact the Director of Compensation and Benefits or use the Ethics Hotline at 800-779-5560.
Pay Deduction Policy

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including discharge for any employee(s) who violates this policy. In addition, PCF will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination of employment.
INCLEMENT WEATHER POLICY - CONTACT CENTERS AND CORPORATE OFFICE & ADMINISTRATIVE OFFICE LOCATIONS

There are several possible scenarios related to business interruptions due to inclement weather or emergencies. PCF’s policy regarding each scenario relative to contact center and administrative office locations follows.

1. The office is open, but closes early due to weather/emergency condition:

   - Employees who are sent home (exempt and non-exempt) will be paid for the remainder of their scheduled hours for that day.
   - Employees who do not work because the closure occurs before the start of their shift (exempt and non-exempt) will be paid for their scheduled hours for that day.

2. The office is open, but employees are absent due to weather/emergency condition:

   Exempt Employees
   - Employees who have the tools, connections and approval of their manager to telecommute and they work, will be paid as normal.
   - Employees, who do not work, may use benefit time or they will not be paid.

   Non-exempt Employees
   - Employees, who do not work, may use benefit time or they will not be paid.

3. The office is open, but employees are late due to weather/emergency condition:

   Exempt Employees
   - Employees who have the tools, connections and approval of their manager to telecommute and they work, will be paid as normal.
   - Employees, who do not work, may use benefit time or they will not be paid.

   Non-exempt Employees
   Employees will be paid from the time they arrive; the shortfall will be handled in one of the following ways:

   - Employees can make up missed hours within the week if the business needs allow and if permitted by State Law.

   - Difference may be made-up using available benefit time.

   - Employee will not be paid for the shortfall.
4. The office is not open due to weather/emergency condition:

**Exempt Employees**
- Employees will be paid.

**Non-exempt Employees**
- Employees may use benefit time or they will not be paid.

5. The office has a delayed opening due to weather/emergency conditions:

**Exempt Employees**
- Employee who have the tools, connections and approval of their manager to telecommute and they work, will be paid as normal.
- Employees who do not work, may use benefit time or they will not be paid.

**Non-exempt Employees**
- Employees that are regularly scheduled to work prior to the time of the office opening, will get paid Manager's Discretion up to the time of the opening provided they report at the time the office opens, otherwise, they will be paid from the time they punch in.
- Employees that do not come in at all may use benefit time or they will not get paid.

6. The office has a delayed opening and later closes due to weather / emergency conditions. The office will be considered closed:

**Exempt Employees**
- Employees will be paid.

**Non-exempt Employees**
- Employees may use benefit time or they will not be paid.

Notes

- Vacation time may be taken in hourly increments for non-exempt employees.
- Floating Holidays and Personal time must be taken in full day increments.
- Sick time is not to be used for weather or emergency situations, unless a doctor's note is provided.

This policy is the consistent standard that should be utilized.

- Several things to keep in mind: (1) “Manager's Discretion” paid time should not be utilized to make an exception to this policy, (2) time paid per this policy should be coded on efime as time worked - not as “Manager's Discretion” or any other coding, (3) “Manager's Discretion” shall only be used for Delayed Openings up until the time the office opens, if the employees get to work and (4) all employees within a site, regardless of department, are governed by the site closure decisions made for that entire site in regards to closing or not closing and the time of closures.
SEXUAL HARASSMENT PREVENTION POLICY

Our Company insists that employees should enjoy a work environment free from all forms of discrimination, including sexual harassment. Sexual harassment is unlawful and undermines our deep commitment to the dignity of the individual employee. We recognize the rights of all people to seek, obtain, and hold employment without being subject to sexual harassment or discrimination of any kind in the workplace.

Immediate and corrective action will be taken against anyone who engages in behavior in violation of this policy or who engages in any form of retaliation against individuals who report conduct contrary to this policy or who cooperate in the investigation of complaints related to this policy.

Sexual Harassment Defined

Sexual harassment is conduct of a sexual nature, by the same or opposite sex, which is unwelcome and persistent or offensive in nature. Sexual harassment includes sexually oriented conduct that is sufficiently pervasive or severe to unreasonably interfere with an employee’s job performance or create an intimidating, hostile or offensive working environment. While it is impossible to define all conduct, which would constitute sexual harassment, some examples of specifically prohibited conduct could include:

1. Promising, directly or indirectly, an employee a reward if the employee complies with a sexually oriented request;
2. Threatening, directly or indirectly, to retaliate against an employee, if the employee refuses to comply with a sexually oriented request;
3. Denying, directly or indirectly, an employee an employment-related opportunity, if the employee refuses to comply with a sexually oriented request;
4. Engaging in sexually suggestive physical contact or touching another employee in a way that is unwelcome;
5. Displaying, storing, or transmitting pornographic or sexually oriented materials using company equipment or facilities;
6. Making sexual or romantic advances toward an employee and persisting despite the employee’s rejection of the advances;
7. Abusive language related to an employee’s sex, including sexual innuendoes, slurs, suggestive, derogatory or insulting comments or sounds, whistling, jokes of a sexual nature or concerning gender specific traits;
8. Abusive written language showing or displaying pornographic or sexually explicit objects or pictures, graphic commentaries or obscene gestures in the workplace.
General Procedures
PCF will take all steps necessary to prevent the occurrence of sexual harassment or other types of harassment in the workplace. This includes, but is not limited to, inappropriate forms of behavior described above under the “Sexual Harassment Defined” section.

1. All supervisory personnel are responsible for ensuring a work environment that is free from unsolicited, unwelcome, and intimidating sexual overtures. Members of our management team should consult with Human Resources if a violation of this policy is brought to their attention or if they observe a situation that may potentially violate this policy.

2. Any employee who is found to have violated this policy may be subject to disciplinary action. Such disciplinary action may include reprimand, suspension, termination, or other appropriate sanction.

3. Retaliation against any employee who has filed a discrimination or sexual harassment complaint or is cooperating in an investigation of a complaint is prohibited and will result in disciplinary action.

Intimidation, coercion, threats, reprisal or discrimination are examples of behavior that may be considered retaliatory.

Reporting and Investigating Sexual Harassment Complaints
All employees are encouraged to promptly report any behavior perceived as sexual harassment. The name of the local individual to whom you can report and the Human Resources Manager responsible for your department, along with their contact information can be located on the Sexual Harassment policy posted in your work area. If you do not receive prompt attention report the situation to your immediate supervisor or to any supervisor or manager with whom you feel comfortable.

All complaints will be thoroughly investigated. It is unlawful to retaliate against an employee for filing a complaint of sexual or other harassment or for cooperating in an investigation of such a complaint. The Company will not tolerate any retaliation against anyone who, in good faith, reports an incident of alleged harassment or who cooperated in an investigation.

1. Confidentiality will be maintained, to the extent possible, consistent with the Company’s commitment to conduct a thorough investigation.

2. Investigation of a complaint by the Human Resources department or its designee(s) will normally include conferring with all of the parties involved and any named apparent witnesses. The particular facts of the allegation will be examined individually, with a focus upon the nature of the behavior, the pattern of such conduct, if any, and the context in which the incident or incidents occurred.

3. As noted above, any employee who participates in the investigative process may do so without fear of retaliation. Retaliation against any employee because they have filed a sexual harassment complaint or are participating in a related investigation is grounds for disciplinary action up to and including termination of employment.

4. An employee who is found to have violated this policy may be subject to disciplinary action up to and including termination of employment.

5. While employees are encouraged to report claims internally, if an employee believes that he or she has been subjected to sexual harassment, he or she may file a formal complaint with the appropriate government agency.
Sexual Harassment Prevention Policy

Reporting and Investigating Sexual Harassment Complaints (continued)
In compliance with some State laws, the following contact information is provided for your reference. Using the Company’s complaint process does not prohibit an employee from filing a complaint with government agencies.

**MASSACHUSETTS:**
The United States Equal Employment Opportunity Commission (“EEOC”)
JFK Federal Building, Room 475
Boston, Massachusetts 02203
(617) 565-3200

The Massachusetts Commission Against Discrimination (“MCAD”)
Boston Office:
One Ashburton Place, Room 601
Boston, Massachusetts 02108
(617) 727-3990

Springfield Office:
436 Dwight Street, Room 220
Springfield, Massachusetts 01103
(413) 739-2145

**RHODE ISLAND:**
Rhode Island Commission for Human Rights 10 Abbot Park Place Providence, Rhode Island 02903 (401) 277-2661

The United States Equal Employment Opportunity Commission (“EEOC”)
JFK Federal Building, Room 475
Boston, Massachusetts 02203
(617) 565-3200 (voice)

**CALIFORNIA:**
Department of Fair Employment and Housing,
1-800-884-1684 (Within California)
1-916-227-0551 (Outside California)
BUSINESS CONDUCT POLICY

It is important for all employees of PCF to understand and be certain of rules regarding your conduct as employees of our Company.

All employees must act ethically, in conformity with applicable laws, and in the best interests of the Company. Employees must also avoid all conflicts of interest or any situation that may do harm to PCF.

No employee should subvert the Company’s interest to his or her own, nor should employees use their positions at the Company to personal advantage. This includes, but is not limited to the hiring or promotion or awarding vendor or independent contracts to family members.

To avoid any possible conflict of interest, you may not solicit or accept from or present gifts or money to anyone with whom we do business, or may potentially do business without the express consent of the Chief Executive Officer or Chief Financial Officer. This includes current clients and/or independent contracted carriers and others with whom we may have business relationships.

You may accept an occasional, unsolicited gift or favor of nominal value, such as a business lunch, food basket, flowers or tickets to an event. Beyond that, if you receive a gift or money from such a supplier, vendor, client or independent contracted carrier, you should return the gift to the donor.

The Company views the business conduct of its employees as a serious matter. Employees in violation of our business conduct policy will be will subject to disciplinary action, up to and including termination of employment. An employee, who has a doubt as to whether or not he or she is in compliance with this policy, has an obligation to refer the matter to Human Resources.
Policy: **Acceptable Electronic Communications Use & Monitoring Policy**

**Issued By:** Information Services

**Effective Date:** March 2010  
**Last Revision:** March 2013

**Sec/#/Version:** II.2.1

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**Scope:**

This policy is applicable to all PCF end users with access to networks, computers, electronic, voice and data communications, regardless if that equipment is company owned or owned by the individual.

PCF may approve certain personal devices for use to access certain Information Systems. For the purpose of this policy, these will be referred to as Bring Your Own Device (BYOD).

This policy applies equally to contractors granted access to PCF information systems.

**Policy Statement/Purpose**

PCF has established specific procedures and guidelines applying to all Information Systems that are accessed on or from Company premises, accessed using Company equipment or via personal equipment using Company paid access methods (including, but not limited to, PCF’s servers or electronic network), or used in a manner that identifies the individual with the Company.

Additionally, these procedures are intended to establish administrative, physical and technical safeguards as required under the Company’s Data Privacy Program, a program consisting of various policies which are designed to protect the privacy and security of Personal Data*.

The procedures are also intended to assist employees in their compliance steps under the Data Security Protection Policy, giving more detailed guidance regarding what employees must do to ensure Publishers Circulation Fulfillment, Inc. and its subsidiaries and affiliates comply with their obligations under applicable laws and regulations concerning the privacy and security of personal information. This policy is found under the Data Privacy section on the Policies and Procedure page of the PCF intranet.

This *Acceptable Communications Use and Monitoring Policy* is a part of the PCF Data Privacy Program.

*Personal Data and Personal Information are used interchangeably in this policy and generally defined as an individual’s first name or first initial and last name in combination with certain data elements such as his or her Social Security number, driver’s license number, State ID card, individual tax identification number or financial account number (including credit or debit card account number) that together with password or security code information would permit access to the account or set-up of a new account.

**Information Systems Defined**

For the purposes of this policy, the term "Information Systems" or "Information and Communications Systems" refers to the Company’s:

- Electronic networks
- Computer equipment & hardware
- Electronic devices
- Electronic communications
Telecommunication networks
Telecommunications equipment licensed, owned or leased by or to the Company (however structured, including wireless)

Including, without limitations:
- Servers
- Computers
- Software, software accessories
- Laptops, handheld computers
- PDAs, ipads, tablets
- Mobile messaging and other telephones
- Peripheral devices
- Documentation supporting electronic communications
- Stored data and files
- Storage devices (including flash or thumb drives)
- Voicemail, voicemail systems
- Telecommunications equipment, including any BYOD
- Web pages, internet
- any data and information contained or processed by such network, e-mail system, Intranet, and access to the Internet.

General Standards:

**Personal Data**

If Personal Information/Data must be transmitted, the following shall apply regardless of equipment used:

a) Emails containing Personal Information shall be maintained within the Information Systems.

b) Emails containing Personal Information are not to be transmitted to an email address outside the PCF Outlook network. If you must transmit Personal Information outside the PCF Information Systems, please contact a member of the Data Privacy Compliance Team for instructions to send such a transmission. (The Data Privacy Compliance Team members can be found under the Data Privacy section on the Policies and Procedure section of the PCF intranet.) If your position requires Personal Data to be transmitted to an authorized, outside source on a regular basis, please contact a member of the Information Services team to receive encryption instructions or software.

c) Documents containing Personal Information attached to emails must be encrypted or password protected.

d) When attachments contain Personal Information, recipients should NEVER "Reply with attachment” in order to limit the number of emails containing Personal Information.

e) Attachments with Personal Information should not be removed from the Information Systems and stored on an individual’s local PCF or personal equipment. Such attachments should be stored in the appropriate PCF-designated shared folder, which shall be password protected or secured with limited access. All other emails and documents containing Personal Information should be promptly deleted from your Outlook mailbox and Deleted Files folder.

f) Screen shots and embedded images containing Personal Information are prohibited.

g) Recipients of emails containing Personal Information should be limited and on
h) Copying and printing of emails and/or attachments containing Personal Data as defined above is prohibited except as necessary and appropriate to achieve a specific PCF business purpose.

i) The following disclaimer shall appear on all Outlook Network Login users’ screens or Outlook Web Access after an employee has logged on to their computer or Outlook Web Mail:

Our Information Systems, which includes without limitation PCF computers and/or access to the company's networks, are the private property of Publishers Circulation Fulfillment, Inc. (PCF). You are authorized to use PCF Information Systems only in your role as an employee of PCF and only to the extent necessary and appropriate to carry out your assigned responsibilities. Your use of the Information Systems is at all times subject to all PCF policies and procedures including, without limitation, PCF's Electronic Communications and Data Privacy Policies (“Policies”).

PCF Electronic communications, such as e-mail and voicemail messages and any attached files, may include confidential information and/or personal information, protected health information or other information subject to protections under federal and state law, as well as physician-patient, attorney-client work product, or other privileges. This information also may be subject to PCF’s Policies which limit among other things when emails containing such information may be used and disclosed. Sending messages in violation of PCF’s Policies may subject you to discipline, up to and including termination of employment.

Users (authorized or unauthorized) have no explicit or implicit expectation of privacy when accessing PCF Information Systems. Any or all access or uses of PCF's Information Systems and all files, documents, records, and data on the Information Systems may be accessed, monitored, recorded, copied, audited, inspected, or disclosed to your employer, government and law enforcement personnel, as well as authorized officials of government agencies, both domestic and foreign. This includes websites you visit and copies of communications made via personal web-based email accounts. Unauthorized or improper access to or use of the Information Systems may result in civil and criminal penalties and administrative or disciplinary action including termination of employment. By continuing to access or use any part of the Information Systems you indicate your awareness of and consent to these terms and conditions of use. LOG OFF IMMEDIATELY if you do not agree to the conditions stated and referenced to in this IMPORTANT NOTICE.

If you have any questions about this IMPORTANT NOTICE, please contact 410-832-5010.

**Personal Use**

Information Systems users are permitted incidental personal use of the Internet, email and the PCF network provided such use is minimal and does not interfere with the execution of a user’s job responsibilities, job performance, consume system resources or storage capacity, include large file transfers or violate other policies, including, but not limited to, the Company’s policy prohibiting harassment and discrimination in the workplace.

Commercial solicitations such as advertisements for the employee’s or another’s business (Avon products, professional services, etc.) or outside organizations or groups of any kind are prohibited.

Global or group electronic communications are prohibited unless they are for a legitimate Company business purpose.

Individual departments may, at their discretion, implement more stringent restrictions on Internet use based on work load/conditions and efficient use of network resources. However, individual departments are NOT permitted to
implement restrictions which are less stringent or counter to the restrictions contained in this policy.

Any additional or modified restrictions should be approved by the Data Privacy Compliance and Human Resources teams.

### General Prohibited Use

In addition to specific compliance requirements surrounding Personal Data, other prohibited uses of PCF Information Systems include, but are not limited to:

1. Any unlawful, fraudulent or malicious endeavor including violation of copyright laws.

2. Sending, forwarding, displaying, or storing threatening, obscene, discriminatory or defamatory messages.*
   
   *This provision is not meant to limit an employee’s lawful rights under whistleblower statutes. Similarly, this provision is not meant to prohibit or limit employee’s ability to discuss the terms and the conditions of their employment freely and without fear of retaliation.

3. Monitoring the files (voice/data) or electronic communications of others except by those authorized by PCF to enforce this policy.

4. Obtaining or granting unauthorized access to any computer system or network.

5. Peer to Peer file sharing (P2P) programs such as, but not limited to LimeWire, BearShare, eDonkey and BitTorrent; high bandwidth applications such as streaming audio and video (video on demand, video posting sites such as YouTube.com, Internet radio station content), Facebook, My Space, Tweets, or any other social networking site, unless pre-approved by an authorized PCF IS representative.

6. Using another user’s login or password, except as specifically authorized by PCF.

7. Testing, breaching, monitoring the security or otherwise auditing the Information Systems.

8. Distributing or storing chain letters, sexually oriented or pornographic jokes, solicitations, offers to buy or sell goods, or other non-business material of a trivial or frivolous nature.

9. Modifying or altering the Operating System, software, hardware and settings of a workstation or group.

### Approved Software

Only PCF approved software may be used on PCF’s Information Systems.

Users are prohibited from downloading and/or installing any software on PCF Information Systems that is not approved and supported by PCF.

PCF actively cooperates with software producers in reporting violations of copyright law. Anyone who loads illegal copies of software onto the Information Systems or who makes illegal copies may face prosecution.

*BYOD equipment is subject to the PCF Bring Your Own Device Policy & Agreement.*
<table>
<thead>
<tr>
<th><strong>Approved Hardware</strong></th>
<th>Only PCF approved hardware may be connected to other PCF Information Systems.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authentication</strong></td>
<td>All Information Systems use will be authenticated with username and password. Users are responsible, and will be held accountable, for actions taken on computing systems under their assigned user ID. As noted above, sharing of passwords is prohibited.</td>
</tr>
<tr>
<td><strong>Dual Connections</strong></td>
<td>Dual connections to computers on the PCF Information Systems are not permitted. For the purpose of this policy a dual connection is defined as a computer connected to the PCF Information Systems while connected to any of the following: a cellular broadband connection; a cellular or a dial-up modem; any network via Wi-Fi, Bluetooth or IRDA wireless signal; any PDA device that has modem or wireless capability, or any other remote access technology. Wi-Fi, Bluetooth and IRDA wireless use are considered a network connection and may be used only when approved wired network connections are unavailable or impractical and should be turned off when not specifically in use.</td>
</tr>
<tr>
<td><strong>Electronic Communications Monitoring</strong></td>
<td>Users (authorized or unauthorized) should have no implicit expectation of privacy in using PCF’s Information Systems, including PCF communication systems downloaded onto BYOD equipment. Any or all access or uses of PCF’s Information Systems and all files, documents, records, and data on the Information Systems may be accessed, monitored, recorded, copied, audited, inspected, or disclosed to your employer, government and law enforcement personnel, as well as authorized officials of government agencies, both domestic and foreign. This includes websites you visit and copies of communications made via personal web-based email accounts. Unauthorized or improper access to or use of the Information Systems may result in civil and criminal penalties and administrative or disciplinary action including termination of employment. <strong>Electronic Monitoring</strong> PCF may periodically and randomly access, review, monitor, inspect, retrieve, print: phone conversations, voicemail messages, e-mails sent and received, internet usage, computer usage, and aircard usage while using the PCF Information Systems. PCF may periodically and randomly monitor and employee’s entrance and exits from company premises. See PCF’s, Surveillance Policy under the Policies and Procedures section of the intranet for more information. The Company reserves the right, at its discretion, to conduct other types of electronic monitoring not identified above, and without advance notice, including but not limited to, when: 1. It’s necessary for security purposes in public areas 2. PCF reasonably believes an employee or employees are violating the law, the</td>
</tr>
<tr>
<td>Exceptions/Policy Custodian</td>
<td></td>
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<td>-----------------------------</td>
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<tr>
<td>The Data Privacy Compliance Team will facilitate changes to this policy.</td>
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<tr>
<td>Any exception to this policy must have the prior and combined written approval of:</td>
<td></td>
</tr>
<tr>
<td>1. PCF Data Compliance Team</td>
<td></td>
</tr>
<tr>
<td>2. Vice President of Information Services</td>
<td></td>
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</tbody>
</table>

*Management reserves the right to make changes or exceptions to this policy at their discretion.*

The unauthorized use or over-use of PCF Information Systems, as well as noncompliance with Personal Data requirements, may result in discipline, up to and including termination.

Employees engaged in defamatory, illegal, or fraudulent activities or who otherwise misuse the PCF Information Systems may be subject to disciplinary action, up to and including termination of employment and prosecution.

*Signature: ______________________
Date:  _________________________*

This policy is included in the PCF Employee Handbook which is located, among other places, on the PCF Employee Self Service (ESS) site. Acknowledgement of receipt of this policy, either as part of the PCF Employee Handbook or separately via ESS or other means, indicates the employee has read this policy and accepts full responsibility for complying with its contents.
PCF Federal Family & Medical Leave Policy

FEDERAL FAMILY & MEDICAL LEAVE POLICY

The Leave Policy. You may be eligible to take up to 12* weeks of unpaid family/medical leave within any 12 month period and be restored to the same or an equivalent position upon your return from leave. To the extent any applicable State laws mandate additional protections, this policy will be applied consistently with such requirements and the State required leave will run concurrently with the leave under this policy.

*FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period.

Eligible Employees: To be eligible for a leave under this policy, you must have worked for the Company for at least 12 months, and for at least 1250 hours in the last 12 months preceding the leave. The 12-month period in which you may take 12 weeks of leave will be measured as a “rolling” 12-month period dating back from the time you begin leave.

Reasons For Leave. You may take family/medical leave for any of the following reasons: (1) the birth of a son or daughter and in order to care for such son or daughter; (2) the placement of a son or daughter with you for adoption or foster care and in order to care for the newly placed son or daughter; (3) to care for a spouse, son, daughter, or parent (“covered relation”) with a serious health condition; or (4) because of your own serious health condition which renders you unable to perform any of the essential functions of your position; (5) to care for a covered servicemember during a single 12-month period; and (6) qualifying exigencies arising out of the fact that a covered military member is on active duty or has been notified of an impending call or order to active duty in support of a contingency operation. Leave because of reasons “1” or “2” must be completed within the 12 month period beginning on the date of birth or placement. In addition, spouses employed by the Company who request leave because of reasons “1” or “2” or to care for their own parent(s) with a serious health condition may only take a combined total of 12 weeks leave during any 12 month period.

Notice Of Leave. If your need for family/medical leave is foreseeable, you must give the Company at least 30 days prior written notice. If this is not possible, you must at least give notice as soon as practicable (within one to two business days of learning of your need for leave). Failure to provide such notice may be grounds for delay of leave and/or may result in the loss of job protection. Additionally, if you are planning a medical treatment you must consult with the Company first regarding the dates of such treatment. Where the need for leave is not foreseeable, you are expected to notify the Company within one to two business days of learning of your need for leave, except in extraordinary circumstances. The Company has Request for Family/Medical Leave forms available from the Human Resources department. You should use these forms when requesting leave.

Medical Certification. If you are requesting leave because of your own or a covered relation’s serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification forms from the Human Resources department. When you request leave, the Company will notify you of the requirement for medical certification and when it is due (at least 15 days after you request leave). If you provide at least 30 days notice of medical leave, you should also provide the medical certification before leave begins. Failure to
provide requested medical certification in a timely manner may result in denial of leave until it is
provided and/or may result in the loss of job protection.

The Company, at its expense, may require an examination by a second health care provider
designated by the Company, if it reasonably doubts the medical certification you initially provide. If
the second health care provider’s opinion conflicts with the original medical certification, the
Company, at its expense, may require a third, mutually agreeable, health care provider to conduct
an examination and provide a final and binding opinion. The Company may also require subsequent
medical re-certification. Failure to provide requested certification within 15 days, if such is
practicable, may result in delay of further leave until it is provided and may result in the loss of job
protection.

**Reporting While On Leave.** If you take leave because of your own serious health condition or to
care for a covered relation, you must contact your Human Resource representative every 14 days,
unless an alternative plan is established, regarding the status of the condition and your intention to
return to work. In addition, you must give notice as soon as practicable (within two business days if
feasible) if the dates of leave change or are extended or initially were unknown.

**Leave Is Unpaid.** Family/medical leave is unpaid leave, although you may be eligible for short or
long-term disability payments and/or workers’ compensation benefits under those insurance plans.
These plans are described in the employee handbook. If you are entitled to receive monies from
these sources, your leave will be considered as “paid leave” for the period during which you receive
those monies. If your leave is “unpaid” leave you may substitute applicable paid time off (vacation,
sick days, personal days) for “unpaid” FMLA leave as described below. If you request leave because
of a birth, adoption or foster care placement of a child, any accrued paid vacation, personal days or
floating holidays first will be substituted for unpaid family/medical leave. If you request leave
because of your own serious health condition, or to care for a covered relation with a serious health
condition, any accrued sick days, personal days, vacation or floating holidays first will be
substituted for any unpaid family/medical leave. The substitution of paid leave time for unpaid
leave time does not extend the 12 or 26 week leave period. Further, in no case can the substitution
of paid leave time for unpaid leave time result in your receipt of more than 100% of your salary.
Your family/medical leave runs concurrently with other types of leave (i.e., paid vacation, State
family leave laws, etc.).

**Medical & Other Benefits.** During an approved family/medical leave, the Company will maintain
your health benefits, as if you continued to be actively employed. If paid leave is substituted for
unpaid family/medical leave, the Company will deduct your portion of the health plan premium as a
regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium to PCF,
Corporate Benefits, 22 West Pennsylvania Avenue, 5th Floor, Towson, MD 21204. Pre-payment of
benefit premiums is acceptable. Your health care coverage may cease if your premium payment is
more than 30 calendar days late. If you elect not to return to work for at least 30 calendar days at
the end of the leave period, you will be required to reimburse the Company for the cost of the
health benefit premiums paid by the Company for maintaining coverage during your unpaid leave,
unless you cannot return to work because of a serious health condition or other circumstances
beyond your control.

**Intermittent & Reduced Schedule Leave.** Leave because of a serious health condition may be taken
intermittently (in separate blocks of time due to a single health condition) or on a reduced leave
schedule (reducing the usual number of hours you work per workweek or workday) if medically
necessary. If leave is unpaid, the Company will reduce your salary based on the amount of time
actually worked. In addition, while you are on an intermittent or reduced schedule leave, the
Company temporarily may transfer you to an available alternative position which better
accommodates your recurring leave and which has equivalent pay and benefits.

**Returning From Leave.** If you take leave because of your own serious health condition, (except if
you are taking intermittent leave) you are required to provide medical certification that you are fit
to resume work with or without reasonable accommodation. You may obtain *Return to Work Medical*
Certification forms from the Human Resources department. Employees failing to provide the Return to Work Medical Certification form will not be permitted to resume work until it is provided.

Extended Leave For Serious Health Condition. Leave taken because of your own serious health condition may be extended upon: (1) written request to the Company; (2) proof that the serious health condition has continued; and (3) approval by the Company (which is subject to its business needs). If you do not return to work on the originally scheduled return date nor request in advance an extension of the agreed upon leave with appropriate documentation, you will be deemed to have voluntarily terminated your employment with the Company. If you request an extension of your leave beyond the initial 12 or 26 week period, you must submit medical certification of your continued serious health condition in advance for each month that the leave is extended. Reinstatement is not guaranteed on an extended leave and will depend on Company needs.

No Work While On Leave. The taking of another job while on Family/Medical Leave or any other authorized leave of absence may be grounds for immediate termination.

State & Local Family And Medical Leave Laws & Other Company Policies. Where State or local family and medical leave laws offer more protections or benefits to employees, the protections or benefits provided by such laws will apply.

Definitions. For the purposes of this policy, the following definitions apply: “Spouse” is defined in accordance with applicable State law of the State where the employee resides, including common law marriages where recognized by the State where the employee resides. “Parent” includes biological parents and individuals who acted as your parents, but does not include parents-in-law. “Son” or “daughter” includes biological, adopted, foster children, stepchildren, legal wards, and other persons for whom you act in the capacity of a parent and who is under 18 years of age or over 18 years of age but incapable of caring for themselves because of a physical or mental disability. “Covered Servicemember” is defined as a member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties for which a service member is undergoing treatment, recuperation, therapy; or is in outpatient status; or is on the temporary disability retired list. “Next of kin of a covered servicemember” is defined as nearest blood relative other than the covered servicemember’s spouse, parent, son or daughter, in the following order of priority: blood relatives who have been granted legal custody of the covered servicemember by court decree or statutory provisions; brothers and sisters, grandparents; aunts and uncles and; first cousins. “Qualifying Exigencies” are defined as certain military events, arranging alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, attending post employment reintegration briefing. “Serious Health Condition” means an illness, injury, impairment, or physical or mental condition which involves: (A) “Inpatient care,” meaning an overnight stay in a hospital, hospice or residential care facility, including any period of “incapacity” or any subsequent “treatment” in connection with such inpatient care; or (B) “Continuing treatment” by a “health care provider,” which includes any one or more of the following: (1) an incapacity of more than three consecutive calendar days; and (a) two or more treatments by a health care provider, by a nurse or physician’s assistant under direct supervision of a health care provider, or by a provider of health care services (e.g., physical therapist) under orders or referral of a health care provider; or (b) one treatment by a health care provider which results in a “regimen of continuing treatment” under the supervision of the health care provider (e.g., prescription medication); (2) any period of incapacity because of pregnancy or prenatal care (even without treatment by a health care provider during the absence and even if the absence is less than three days: e.g., morning sickness); (3) any period of incapacity because of a “chronic serious condition” (even without treatment by a health care provider during the absence and even if the absence is less than three days: e.g., asthma attack, migraine headaches, etc.); (4) a period of incapacity which is permanent or long term due to a condition for which treatment may not be effective; (5) any period of absence to receive multiple treatments by health care providers or provider of health care services (under order or referral of a health care provider) for reconstructive surgery after an accident, injury, or for a condition that would likely
result in a period of incapacity of more than three consecutive calendar days if untreated: e.g., cancer (chemotherapy); severe arthritis (physical therapy), kidney disease (dialysis). “Continuing treatment” means: (1) two or more treatments by a health care provider; (2) two or more treatments by a provider of health care services (e.g., physical therapist) on referral by or under orders of a health care provider; (3) at least one treatment by a health care provider which results in a regimen of continuing treatment under the supervision of the health care provider (e.g., a program of medication or therapy); or (4) under the supervision of, although not actively treated by, a health care provider for a serious long-term or chronic condition or disability which can not be cured (e.g., Alzheimer’s or severe stroke). “Health care provider” means: (1) an MD or OD licensed by the State (or country in which he/she practices; (2) podiatrists, dentists, clinical psychologists, optometrists, chiropractors (limited treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by x-ray to exist) authorized to practice under the State law; (3) nurse practitioners and nurse-midwives authorized under State law; (4) Christian Science practitioners (may be required to submit to second or third certification through examination - not treatment of a health care provider); (5) certified social workers; (6) A health care provider also includes a health care provider who practices in a foreign country in accordance with the laws of that country and; (7) any other health care provider from whom the employer or the employee’s group health plan benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.

“Needed to care for” a family member encompasses: (1) physical and psychological care of a child, spouse or parent with a serous health condition; and (2) where the employee is needed to fill in for others providing care or to arrange for third party care of a child, spouse or parent who is receiving inpatient or home care. The phrase “unable to perform the functions of his/her job” means an employee is: (1) unable to work at all; or (2) unable to perform any one of the essential functions of his/her position at the time notice is given or leave commenced, whichever is earlier. The term “essential functions” is borrowed from the Americans with Disabilities Act (“ADA”) to mean “the fundamental job duties of the employment position,” but does not include the marginal functions of the position.
WORKPLACE VIOLENCE POLICIES

Safe Workplace Policy
PCF has implemented the following Safe Workplace Policy to prevent the possibility of violence in our workplace.

PCF strictly prohibits threatened or actual violence in the workplace. This includes the following types of behavior:

- Threatening, intimidating, abusive, harassing, or violent behavior whether its verbal, written, or physical toward others, including co-workers, customers, IC’s, suppliers, and visitors to PCF’s premises;
- Physically fighting, including pushing, shoving, slapping and punching, on company premises or while conducting company business;
- Possessing firearms, explosives, or other weapons that are intended by their design or function to inflict fatal injury. This prohibition is in force anywhere on company property, including company vehicles and private vehicles on company property, or while conducting company business;
- Willfully destroying company property or the property of others engaged in company business; and
- Engaging in acts of sabotage designed to damage the effectiveness of PCF or any individual associated with it.

PCF requires all associates to report all threats or acts of aggression and violence in accordance with this Policy. No adverse action will be taken against anyone who, in good faith and on the basis of reasonable belief, makes such a report.

If an investigation substantiates that a violation of this Policy has occurred, PCF will take appropriate corrective action, which may involve discipline of the perpetrator, up to and including immediate suspension, or termination of employment.

Zero Tolerance Policy
Any intentional act of intimidation, threat of violence, or act of violence committed against any person or to the property of another while on PCF property is prohibited.

Act(s) of intimidation (Implied threat) - Any willful act/behavior directed toward another person, the result of which causes the other person to reasonably fear for his/her safety or the safety of others.

Threat(s) of violence (Actual threat) - Any willful act/behavior directed toward another person which threatens the other person or which threatens damage to the property of another, under such circumstances
Zero Tolerance Policy (continued)
that would cause the other person to reasonably fear for his/her safety, the safety of others or damage to said property.

Act(s) of violence - Any willful act/behavior committed against another person or the property of another, the result of which causes bodily injury, however slight, to the other person or damage to the property of another.

In an effort to fulfill this commitment to a safe work environment for associates, and business invitees such as IC’s, customers, and visitors, a few simple rules have been created. These are:

- Access to the company’s property is limited to those with a legitimate business interest. All associates entering the property must display company identification.

No person shall possess or have control of any firearm, deadly weapon, prohibited knife or explosive device while on PCF property except as required in the lawful course of business.

Any PCF associate (non-supervisor, non-manager) who is the subject of, or a witness to, a suspected violation of this policy shall report the violation to the next-in-line supervisor who is not a party to the violation. Any emergency, perceived emergency, or suspected criminal behavior shall be immediately reported to the local police department.

Any PCF supervisor, manager, or person in authority who is the subject of, a witness to, or who receives a report of a suspected violation of this policy shall document, investigate and report the suspected violation to the appropriate authority.

Any PCF associate found to be in violation of this policy shall be subject to disciplinary action, up to and including termination of employment pursuant to applicable personnel policies.

Weapons in the Workplace
Publishers Circulation Fulfillment, Inc. strives to foster a work environment that is free of fear, intimidation, and violence.

In order to maintain a safe working environment, the possession of any type of weapon, including a firearm, switchblade knife, dangerous chemical, explosive, chain, or other object or any facsimile of the above named articles that could be used for the purpose of injuring and/or intimidating someone is prohibited on company premises, in company parking lots, company cars, and any other location while on company related business.

Violation of this policy will result in disciplinary action up to and including termination. Anyone observed carrying a weapon should be reported to the Manager of the facility or the Manager’s designee immediately. DO NOT confront, challenge or become argumentative with a person carrying a weapon. The Manager, in conjunction with the Human Resources Department, will handle all matters regarding weapons.

Where there is an immediate or perceived threat, contact the law enforcement agency serving that facility immediately.

Any incident involving a weapon should be reported to either your Director of Distribution and Distribution Regional Manager or the Director of Contact Center Operations and the Contact Center Operations Manager and the National Safety Director immediately who will work in conjunction with the appropriate local authorities.
## LOA/FMLA: Use of Paid Benefit Time
### Effective September 1, 2013

<table>
<thead>
<tr>
<th>Medical Leave – FMLA or Disability</th>
<th>Personal</th>
<th>Military</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>If employee is receiving Worker’s Compensation</strong></td>
<td><strong>Employee cannot use benefit time to supplement compensation under Worker’s Compensation.</strong>&lt;br&gt;<strong>Employee may choose to use paid benefit time prior to eligibility for Worker’s Compensation.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>For employee’s own disability unrelated to Worker’s Compensation</strong></td>
<td>Employee is eligible and applies for disability insurance.</td>
<td><strong>Employee must first use and exhaust all accrued sick leave before being compensated under disability insurance.</strong>&lt;br&gt;<strong>At the exhaustion of the short-term disability insurance benefits, employee may then elect to use available accrued vacation, and/or other paid leave time or be compensated under long term disability.</strong>&lt;br&gt;<strong>Employee cannot use benefit time to supplement compensation under disability insurance.</strong></td>
</tr>
<tr>
<td><strong>If employee is not eligible for disability insurance (might include intermittent FMLA or part-time employees) or chooses not to apply for disability insurance.</strong></td>
<td></td>
<td><strong>Employee must use and exhaust all accrued sick leave and may elect to use available vacation and/or other paid leave time.</strong></td>
</tr>
<tr>
<td><strong>For a family member’s disability</strong></td>
<td>Employee must use any accrued sick leave for the first 2 weeks of leave and may then elect to use any paid benefit time they have available.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employees located in California are not required to use sick leave in connection with birth, adoption, or foster care of a child, or to care for a child, parent or spouse with a serious health condition, but may choose to do so.</td>
<td></td>
</tr>
<tr>
<td><strong>Employee must use and exhaust all accrued vacation, Floating Holidays and Personal Days before taking unpaid leave; Employees may only use sick leave if the need for leave is a health related event.</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
STATE SPECIFIC APPENDIX

California Family Rights Act - the Leave Policy ................................................................. 62
California Pregnancy Disability Leave of Absence ............................................................. 66
Paid Family Leave Benefits in Other States/Regions ......................................................... 68
California Family Rights Act - the Leave Policy

Under the California Family Rights Act, you are eligible to take up to 12 weeks of unpaid family/medical leave within any 12 month period and be restored to the same or a comparable position upon your return from leave provided you have (1) worked for the Company for at least 12 months, and for at least 1250 hours in the last 12 months and (2) are employed at a worksite that has 50 or more employees within 75 miles. The twelve month period in which you may take 12 weeks of leave will be measured as a “rolling” 12 month period dating back from the time you request leave.

Reasons For Leave. You may take family/medical leave for any of the following reasons: (1) the birth of a child and in order to care for such child; (2) the placement of a child with you for adoption or foster care and in order to care for the newly placed child; (3) to care for a spouse, domestic partner, child, or parent (“covered relation”) with a serious health condition; or (4) because of your own serious health condition which renders you unable to perform an essential function of your position. Leave because of reasons “1” or “2” must be completed within the 12-month period beginning on the date of birth or placement. In addition, spouses employed by the Company who request leave because of reasons “1” or “2” may only take a combined total of 12 weeks leave during any 12-month period.

Notice Of Leave. If your need for family/medical leave is foreseeable, you must give the Company at least 30 days prior notice, preferably written. If this is not possible, you must at least give notice as soon as practicable (generally within one to two business days of learning of your need for leave). Failure to provide such notice may be grounds for delay of leave. Additionally, if you are planning a medical treatment you must consult with the Company first regarding the dates of such treatment. Where the need for leave is not foreseeable, you should notify the Company as soon as possible and practical.

Medical Certification. If you are requesting leave because of your own or a covered relation’s serious health condition, you must provide appropriate medical certification from the relevant health care provider within 15 calendar days after you request leave, if practicable. You may obtain Medical Certification forms from the Human Resources department. If you provide at least 30 days notice of medical leave, you should provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may be grounds for delay of leave.

The Company, at its expense, may require an examination by a second health care provider designated by the Company, if it reasonably doubts the medical certification you initially provide for your own serious health condition. If the second health care provider’s opinion conflicts with the original medical certification, the Company, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion.

The Company may require subsequent medical re-certification at the expiration of your previous certification. Failure to provide requested re-certification within 15 days, if such is practicable, may result in delay of further leave until it is provided.
Reporting While On Leave. If you take leave because of your own serious health condition or to care for a covered relation, you must contact the Company every 30 days regarding the status of the condition and your intention to return to work. In addition, you must give notice as soon as practicable (within two business days if feasible) if the dates of leave change, are extended or initially were unknown.

Leave Is Unpaid. Family/medical leave is unpaid leave. If you request leave because of a birth, adoption or foster care placement of a child, accrued vacation time or personal time will first be substituted for unpaid family/medical leave. If you request leave for a pregnancy related disability, you may use accrued vacation time if you desire. However, if you request leave because of your own serious health condition, including any pregnancy related disabilities, you are required to substitute any accrued sick leave for unpaid family/medical leave. The substitution of paid leave time for unpaid leave time does not extend the 12-week leave period. Further, no case can the substitution of paid leave time for unpaid leave time result in you receiving more than 100% of your salary.

Medical & Other Benefits. For the first 12 weeks of an approved family/medical leave, the Company will maintain your health benefits as if you continued to be actively employed. If you take a leave for disability caused by pregnancy, childbirth, or related medical condition and follow that leave with a leave to care for your newborn child, your leave may exceed 12 weeks, but the Company will only pay for medical benefits for the first 12 weeks you are on leave. If paid leave is substituted for unpaid family/medical leave, the Company will deduct your portion of the health plan premium as a regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium by sending a check to the Benefits Department at the Corporate Office. Your health care coverage will cease if your premium payment is more than 30 days late. If your payment is more than 30 days late, we will send you a letter to this effect. If we do not receive your premium within 15 days of this letter, your coverage may cease. If you elect not to return to work for at least 30 calendar days at the end of the leave period, you will be required to reimburse the Company for the cost of the health benefit premiums paid by the Company for maintaining coverage during your unpaid leave, unless you cannot return to work because of a serious health condition or other circumstances beyond your control.

Exemption For Highly Compensated Employees. Highly compensated employees (i.e., highest paid 10% of salaried employees within 75 miles of the employee’s worksite) may not be returned to their former or equivalent position following a leave if restoration of employment will cause substantial and grievous economic injury to the Company. This fact-specific determination will be made by the Company on a case-by-case basis. The Company will notify you if you qualify as a “highly compensated” employee, if the Company intends to deny reinstatement, and of your rights in such instances.

Intermittent & Reduced Schedule Leave. Leave because of a serious health condition, including pregnancy-related disabilities, may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. Employees may also be eligible for intermittent leave for birth or placement of a child.

If leave is unpaid, the Company will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave, the Company may temporarily transfer you to an available alternative position which better accommodates your recurring leave and which has equivalent pay and benefits.

Returning From Leave. If you take leave because of your own serious health condition, (except if you are taking intermittent leave) you are required to provide medical certification that you are fit to resume work. You may obtain Return to Work Medical Certification forms from the Human Resources department. Employees failing to provide the Return to Work Medical Certification form will not be permitted to resume work until it is provided.
No Work While On Leave. Taking another job while on Family/Medical Leave or any other authorized leave of absence will be interpreted as voluntary termination.

Definitions. For the purposes of this policy, the following definitions apply:

- “Spouse” means a partner in marriage as defined in Family Code Section 300.
- “Parent” includes biological, foster, adoptive, stepparents or a legal guardian or other person who stood in loco parentis to the employee when the employee was a child, but does not include parents in-law.
- “Child” includes biological, adopted, foster children, stepchildren, legal wards, and other persons for whom you act in the capacity of a parent and who is either under 18 years of age or over 18 years of age but incapable of caring for themselves because of a physical or mental disability.
- “Domestic Partner” means two adults who have established a domestic partnership in accordance with the requirements of California law, as explained below:
  - A domestic partnership is established in California when both persons file a Declaration of Domestic Partnership with the Secretary of State, and, at the time of filing, all of the following requirements are met:
    - Both persons have a common residence;
    - Neither person is married to someone else or is a member of another domestic partnership with someone else that has not been terminated, dissolved, or adjudged a nullity;
    - The two persons are not related by blood in a way that would prevent them from being married to each other in this state;
    - Both persons are at least 18 years of age;
    - Either of the following:
      - Both persons are members of the same sex.
      - One or both of the persons meet the eligibility criteria under Title II of the Social Security Act as defined in 42 U.S.C. Section 402(a) for old-age insurance benefits or Title XVI of the Social Security Act as defined in 42 U.S.C. Section 1381 for aged individuals. Notwithstanding any other provision of this section, persons of opposite sexes may not constitute a domestic partnership unless one or both of the persons are over the age of 62; and
      - Both persons are capable of consenting to the domestic partnership.
- “Have a common residence” means that both domestic partners share the same residence. It is not necessary that the legal right to possess the common residence be in both of their names. Two people have a common residence even if one or both have additional residences. Domestic partners do not cease to have a common residence if one leaves the common residence but intends to return.
- “Serious Health Conditions” means an illness, injury, impairment, or physical or mental condition which involves: (1) “Inpatient care,” meaning an overnight stay in a hospital, hospice or residential care facility, including any period of “incapacity” or any subsequent “treatment” in connection with such inpatient care; or (2) “Continuing treatment” by a “health care provider,” meaning an incapacity of
more than three consecutive calendar days; and (3) two or more treatments by a health care provider, by a nurse or physician’s assistant under direct supervision of a health care provider, or by a provider of health care services (e.g., physical therapist) under orders or referral of a health care provider; or one treatment by a health care provider which results in a “regimen of continuing treatment” under the supervision of the health care provider (e.g., prescription medication). Any period of incapacity because of pregnancy or prenatal care (even without treatment by a health care provider during the absence and even if the absence is less than three days: e.g., morning sickness); or any period of incapacity because of a “chronic serious condition” (even without treatment by a health care provider during the absence and even if the absence is less than three days: e.g., asthma attack, migraine headaches, etc.; or any period of absence to receive multiple treatments by health care providers or provider of health care services (under order or referral of a health care provider) for reconstructive surgery after an accident, injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days if untreated: e.g., cancer (chemotherapy); severe arthritis (physical therapy), kidney disease (dialysis).

“Continuing treatment” means: (1) two or more treatments by a health care provider; (2) two or more treatments by a provider of health care services (e.g., physical therapist) on referral by or under orders of a health care provider; (3) at least one treatment by a health care provider which results in a regimen of continuing treatment under the supervision of the health care provider (e.g., a program of medication or therapy); or (4) under the supervision of, although not actively treated by, a health care provider for a serious long-term or chronic condition or disability which can not be cured (e.g., Alzheimer’s or severe stroke).

“Health care provider” means: (1) an MD or OD licensed by the State (or country in which he/she practice; (2) podiatrists, dentists, clinical psychologists, optometrists, chiropractors (limited treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice under the State law; (3) nurse practitioners and nurse-midwives authorized under State law; (4) Christian Science practitioners (may be required to submit to second or third certification through examination - not treatment of a health care provider); (5) certified social workers; (6) A health care provider also includes a health care provider who practices in a foreign country in accordance with the laws of that country and; (7) any other health care provider from whom the employer or the employee’s group health plan benefits manager will accept certification of the existence of a serious health condition to substantiate a claim for benefits.

“Needed to care for” a family member encompasses: (1) physical and psychological care of a child, spouse or parent with a serious health condition; and (2) where the employee is needed to fill in for others providing care or to arrange for third party care of a child, spouse or parent who is receiving inpatient or home care.

The phrase “unable to perform the functions of his/her job” means an employee is: (1) unable to work at all; or (2) unable to perform any one of the essential functions of his/her position at the time notice is given or leave commenced, whichever is earlier. The term “essential functions” is borrowed from the Americans with Disabilities Act (“ADA”) to mean “the fundamental job duties of the employment position,” but does not include the marginal functions of the position.
CALIFORNIA PREGNANCY DISABILITY LEAVE OF ABSENCE

If you are disabled by pregnancy, childbirth or related medical conditions, you are eligible to take a pregnancy disability leave (PDL). If you are affected by pregnancy or a related medical condition, you are also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable and can be reasonably accommodated. In addition, if it is medically advisable for you to take intermittent leave or work a reduced schedule, the Company may require you to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

- The PDL is for any period(s) of actual disability caused by your pregnancy, childbirth or related medical condition up to four months (or 88 workdays for a full-time employee) per pregnancy.
- The PDL does not need to be taken in one continuous period of time, but can be taken on an as-needed basis.
- Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth is covered by your PDL.
- Generally, we treat your pregnancy disability the same as we treat other disabilities of similarly situated employees. This affects whether your leave will be paid or unpaid.
- You are required to obtain a certification from your health care provider of your pregnancy disability or the medical advisability for a transfer. The certification should include:
  - The date on which you became disabled due to pregnancy or the date of the medical advisability for a transfer;
  - the probable duration of the period(s) of disability or the period(s) for the advisability of a transfer; and,
  - a statement that, due to the disability, you are either unable to work at all or to perform any one or more of the essential functions of your position without undue risk to yourself or to other persons; or a statement that, due to your pregnancy, a transfer to a less strenuous or hazardous position or duties is medically advisable.

As a condition of your return from pregnancy disability leave, or transfer, the Company requires you to obtain a release to return to work from your health care provider stating that you are able to resume your original job duties with or without reasonable accommodation.

- At your option, you can use any accrued vacation time or other accrued paid time off as part of your PDL before taking the remainder of your leave on an unpaid basis. We require, however, that you use any available sick leave during your PDL. The substitution of any paid leave will not extend the duration of your PDL.
- We encourage you to contact the California Employment Development Department regarding your eligibility for State disability insurance for the unpaid portion of your leave.
If you do not return to work on the originally scheduled return date nor request in advance an extension of the agreed upon leave with appropriate medical documentation, you will be deemed to have voluntarily terminated your employment with the Company. Failure to notify the Company of your ability to return to work when it occurs, or your continued absence from work because your leave must extend beyond the maximum time allowed, may be deemed a voluntary termination of your employment with the Company, unless you are entitled to Family Leave.

- Upon your return from a covered PDL, you will be reinstated to your same position in most instances.

- Taking a PDL may impact certain of your benefits. If you want more information regarding your eligibility for a leave and the impact of the leave on your benefits, please contact the Benefits department at the Corporate Office.

Any request for leave after your disability has ended will be treated as a request for family care leave under the California Family Rights Act and the Federal Family Medical Leave Act, if you are eligible for that type of leave. Please refer to the Family and Medical Leave Policy.
Paid Family Leave Benefits

CALIFORNIA PAID FAMILY LEAVE BENEFITS
Employees in California who suffer a wage loss when they take time off to care for a child, spouse, parent, or registered domestic partner with a serious health condition, or to bond with a new child may be eligible for up to six weeks of paid benefits. The program is administered through the California Employment Development Department and financed through employee contributions to the State Paid Leave Benefits program. For additional information on the program please contact the California Employment Development Department.

CONNECTICUT FAMILY LEAVE ACT
Employees working in Connecticut who have worked for PCF for at least 12 months and for at least 1,000 hours in the 12 months preceding commencement of leave are eligible for up to 16 weeks of unpaid family leave within a two year period. Connecticut Family Leave may also be taken to care for a parent-in-law with a serious health condition. For additional information please contact Human Resources.

FAMILY LEAVE IN THE DISTRICT OF COLUMBIA
Employees working in the District of Columbia who have worked for PCF continuously for at least 12 months, and for at least 1,000 hours in the 12 months preceding commencement of leave are eligible for up to 16 weeks of unpaid family leave and up to 16 weeks of medical leave for their own serious health condition, within a 24 month period. For additional information please contact Human Resources.

MASSACHUSETTS MATERNITY LEAVE
Regular full-time female employees working for PCF in Massachusetts for at least three consecutive months are eligible for up to eight weeks of unpaid maternity leave for the purpose of giving birth or for the purpose of adopting a child under the age of 18 or a person under the age of 23 if that person is physically or mentally disabled. For additional information please contact Human Resources.

MASSACHUSETTS SMALL NECESSITIES LEAVE
Employees working in Massachusetts who are eligible for FMLA leave are also entitled to 24 hours of leave during any 12 month period for the purpose of participation in certain school activities for their children, and accompanying their child or an elderly relative to certain medical or dental appointments. For additional information please contact Human Resources.

MIAMI-DADE COUNTY, FLORIDA
Employees working for PCF in Miami-Dade County, Florida may also take family leave to care for a grandparent with a serious health condition. For additional information please contact Human Resources.

NEW JERSEY FAMILY LEAVE ACT
Employees in New Jersey who have worked for PCF for at least 12 months and for at least 1,000 hours in the 12 months preceding commencement of leave are eligible for up to 12 weeks of unpaid family leave within a 24 month period. New Jersey Family Leave may also be taken to care for a parent-in-law with a serious health condition. For additional information please contact Human Resources.

RHODE ISLAND PARENTAL AND FAMILY LEAVE POLICY
Employees in Rhode Island who have worked for PCF for at least 12 months and for at least 30 hours per week are eligible for up to 13 weeks of unpaid family leave within a two year period. Rhode Island Parental and Family Leave may also be taken to care for a parent-in-law with a serious health condition. For additional information please contact Human Resources.
RECORD RETENTION/DESTRUCTION POLICY
(Effective 03/01/2010)

I. POLICY

This Retention/Destruction Policy ("Policy") represents the protocol of Publishers Circulation Fulfillment, Inc. (the "Company") regarding the retention, maintenance and destruction of all physical and electronic records and documents.

II. PURPOSE

The purpose of this Policy is to ensure that all proprietary records and documents, including, but not limited to those containing Personal Data* are adequately protected and maintained and to ensure that records which are no longer needed by the Company, or are of no value, are discarded appropriately and at the proper time. This includes obligations in retaining electronic documents – including e-mail messages, Web files, text files, sound and movie files, scanned documents and all Microsoft Office or other formatted files, including computer back-up media.

*Personal Data/Information is generally defined as an individual’s first name or first initial and last name, address or telephone number in combination with his or her Social Security number, driver’s license number, State ID card, individual tax identification number or financial account number (including credit or debit card account number) that together with password or security code information would permit access to the account or creation of a new account.

III. APPLICABILITY

A. Physical Records And Documents

This Policy applies to all physical records and documents generated or received in connection with the business of the Company. In addition to those items we typically think of as physical records (such as written contracts, letters, memoranda, invoices or purchase orders), the term “record” or “document” also includes pamphlets, maps, photographs, appointment calendars, diaries and the like. A physical copy of a document, which contains Personal Data or other sensitive information and is marked for deletion, must be incinerated, shredded or otherwise made unreadable or unrecoverable.

B. Electronic Records And Documents

This Policy also applies to all records and documents maintained in electronic formats (such as e-mail messages, scanned documents, Word documents, Excel spreadsheets, electronic calendars, voice mail messages, recorded meetings, etc.). All electronic records and documents must be retained and disposed of in accordance with the terms of this Policy. If records are scanned to create electronic “.pdf” files, the original physical copy of the record may, in most
IV. RECORD RETENTION GUIDELINES

It is the Company’s policy to maintain complete and accurate records and documents for the period of their immediate use, unless longer retention is required for historical reference or contractual or legal requirements. The following guidelines apply to the Company’s retention and destruction of records and documents.

A. Documents Subject To Specific Retention Periods

The records retention schedule attached to this Policy ("Schedule A") sets forth the time periods during which various records and documents must be maintained. Following expiration of the noted retention periods, all records and documents addressed in Schedule A must be destroyed unless the records are relevant to pending or threatened litigation or government investigation (see Section VI below). Certain documents identified in Schedule A must be retained permanently.

B. General Retention Rule

Records and documents not specifically addressed in Schedule A to this Policy are subject to the “General Retention Rule.” The General Retention Rule provides that any record not subject to a specified retention period (i.e., not described in Schedule A to this Policy) must be destroyed no later than two years after the date of its last use or the completion of the project to which the record relates. Examples of records which would typically fall within the General Retention Rule include the following:

- Routine letters and notes that require no acknowledgment or follow-up, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
- Form letters that require no follow-up.
- Letters of general inquiry and replies that complete a cycle of correspondence.
- Other letters of inconsequential subject matter or that definitely close correspondence to which no further reference will be necessary.

The General Retention Rule establishes the maximum retention period for records that have not been described in Schedule A to this Policy. There is no minimum retention period applicable to such records. Employees are permitted to destroy such records at any time and should destroy such records promptly when they are no longer useful.

C. Special Rules Regarding E-Mail Messages

E-mail messages are records that must be maintained and destroyed in accordance with the terms of this Policy. Therefore, if an e-mail message falls within one of the categories described in
Schedule A to this Policy, it must be retrievable and readable for the duration of the applicable retention period. If it does not fall within one of those categories, it should be deleted as soon as the e-mail message is no longer useful. In order to ensure compliance with this Policy, as well as to manage the flow and storage of e-mail messages, the Company may periodically scan the Inbox and Sent Items folders of its e-mail users and delete any e-mail messages which are older than 90 days. Therefore, it is imperative that e-mail users promptly file any e-mail messages governed by Schedule A of this Policy or which the e-mail user needs to retain for legitimate business reasons.

The following guidelines also apply to e-mail messages:

- Employees must strive to delete all but an insignificant minority of their e-mail messages related to business issues. Employees will not store or transfer Company-related e-mail messages on or to non-work-related computers except as necessary or appropriate for Company purposes. To the extent such storage or transfer is necessary, all such instances must be documented.”

- Employee with excessive amounts of data in their e-mail account will be unable to send or receive messages until the size of their account is reduced. Employees will be notified by the Company’s MIS Department as their account size approaches the data restriction.

V. ADMINISTRATION

The Data Privacy Compliance Team (Security Officer, VP of Information Services, Legal Liaison and Executive Director of Communications) is responsible for regular updates to this policy as well as periodic audits to ensure that area leaders are administering and implementing the processes which follow the record retention schedule. The Data Privacy Compliance Team, or its designee(s), is also authorized to: (i) make modifications to the record retention schedule from time to time to ensure that it is in compliance with local, state and federal laws and includes the appropriate record and document categories for the Company; (ii) monitor local, state and federal laws affecting record retention; (iii) annually review the record retention and disposal program; and (iv) monitor compliance with this Policy.

VI. SUSPENSION OF RECORD RETENTION/DESTRUCTION POLICY

In the event the Company is served with any subpoena or request for documents or any employee becomes aware** of a governmental investigation concerning the Company or the commencement of any litigation against or concerning the Company, such employee shall inform the Legal Liaison and the destruction of all records relevant to the particular matter must immediately be halted until such time as the Legal Liaison determines otherwise. This “litigation hold” is mandated by law and, therefore, strict compliance with this protocol is critical. The Legal Liaison shall take such steps as is necessary to promptly inform all staff of any suspension in the further disposal of documents. A litigation hold is deemed ongoing until the Legal Liaison provides written notification to the contrary.
A reasonable basis for concluding litigation is imminent may arise from any variety of circumstances, which include, but are not limited to, the following: (i) verbal or written complaints; (ii) verbal or written threats of lawsuits; (iii) offers of settlement and/or demand letters; (iv) circumstances denoting potential litigation based on past practice; (v) subpoenas; (vi) audit requests; (vii) agency charges; (viii) legal complaints; and (ix) specific discovery requests.

VII. ACKNOWLEDGMENT

I have read and understand the purpose of this Policy. I understand that strict adherence to this Policy is a condition of my employment with the Company. If I do not understand something regarding this Policy, I will contact any member of the Data Privacy Compliance Team immediately for clarification. I agree to abide by this Policy.

________________________________________________________________________
Employee’s Signature

________________________________________________________________________
Date

________________________________________________________________________
Employee’s Name (print)
BUSINESS RECORD RETENTION SCHEDULE

Suggested Schedule for Retention of Business Records

**KEY:** “P” means that the records should be retained permanently. “AT” means after termination and “AD” means after disposal of the underlying asset. Figures represent the number of years for retaining the records.

<table>
<thead>
<tr>
<th>TYPE OF RECORD</th>
<th>SUGGESTED RETENTION PERIOD</th>
<th>TYPE OF RECORD</th>
<th>SUGGESTED RETENTION PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident reports (settled)</td>
<td>7</td>
<td>Labor records:</td>
<td></td>
</tr>
<tr>
<td>Bank reconciliations</td>
<td>3</td>
<td>Applications (employees)</td>
<td>7 AT</td>
</tr>
<tr>
<td>Bills of lading</td>
<td>5</td>
<td>Contracts</td>
<td>7 AT</td>
</tr>
<tr>
<td>Budgets</td>
<td>3</td>
<td>Daily time reports</td>
<td>5</td>
</tr>
<tr>
<td>Delivery receipts</td>
<td>5</td>
<td>Disability claims</td>
<td>7 AT</td>
</tr>
<tr>
<td>Depreciation schedules</td>
<td>7 AD</td>
<td>Earnings records</td>
<td>7</td>
</tr>
<tr>
<td>Equipment leases (after expiration)</td>
<td>6</td>
<td>Employee service records</td>
<td>7 AT</td>
</tr>
<tr>
<td>Equipment repair records</td>
<td>3</td>
<td>Pay checks</td>
<td>7</td>
</tr>
<tr>
<td>Expense reports:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departmental</td>
<td>5</td>
<td>Personnel files</td>
<td>7 AT</td>
</tr>
<tr>
<td>Employee</td>
<td></td>
<td>Salary and wage rate changes</td>
<td>7 AT</td>
</tr>
<tr>
<td>Fidelity bonds</td>
<td>3 AT</td>
<td>Salary receipts</td>
<td>7 AT</td>
</tr>
<tr>
<td>Financial reports:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audited</td>
<td>P</td>
<td>Time cards, tickets and clock records</td>
<td>5</td>
</tr>
<tr>
<td>Annual</td>
<td>P</td>
<td>Unemployment claims</td>
<td>7 AT</td>
</tr>
<tr>
<td>Interim</td>
<td>3</td>
<td>Withholding exemption certificates</td>
<td>7 AT</td>
</tr>
<tr>
<td>Fire damage reports</td>
<td>6</td>
<td>Workers’ compensation reports</td>
<td>10</td>
</tr>
<tr>
<td>Freight draft, bills and claims</td>
<td>5</td>
<td>Leases</td>
<td>7 AT</td>
</tr>
<tr>
<td>Garnishments</td>
<td>3 AT</td>
<td>Ledgers and journals:</td>
<td></td>
</tr>
<tr>
<td>Insurance policies</td>
<td>P</td>
<td>Accounts payable ledger</td>
<td>7</td>
</tr>
<tr>
<td>Inventory records</td>
<td>7 AD</td>
<td>Accounts receivable ledger</td>
<td>7</td>
</tr>
<tr>
<td>Invoices (issued or received)</td>
<td>7</td>
<td>Cash journal</td>
<td>10</td>
</tr>
<tr>
<td>Invoices -- fixed assets</td>
<td>7 AD</td>
<td>Customer ledger</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>General journal</td>
<td>10</td>
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<tr>
<td></td>
<td></td>
<td>General ledger</td>
<td>P</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Journal entries - year end</td>
<td>P</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Payroll journal</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plant ledger</td>
<td>P</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Purchases journal</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sales journal</td>
<td>10</td>
</tr>
<tr>
<td>TYPE OF RECORD</td>
<td>SUGGESTED RETENTION PERIOD</td>
<td>TYPE OF RECORD</td>
<td>SUGGESTED RETENTION PERIOD</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-----------------------------</td>
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<td>-----------------------------</td>
</tr>
<tr>
<td>Licenses</td>
<td>1 AT</td>
<td>Tax returns (copies):</td>
<td></td>
</tr>
<tr>
<td>Maintenance and repair records:</td>
<td></td>
<td><strong>Income</strong></td>
<td>P</td>
</tr>
<tr>
<td>Buildings</td>
<td>7</td>
<td><strong>Payroll</strong></td>
<td>7</td>
</tr>
<tr>
<td>Machinery</td>
<td>5</td>
<td><strong>Personal property</strong></td>
<td>10</td>
</tr>
<tr>
<td>Mortgages</td>
<td>7 AT</td>
<td><strong>Sales and Use</strong></td>
<td>10</td>
</tr>
<tr>
<td>Notes (canceled)</td>
<td>7</td>
<td><strong>Social security</strong></td>
<td>7</td>
</tr>
<tr>
<td>Note register</td>
<td>P</td>
<td><strong>Title papers</strong></td>
<td>P</td>
</tr>
<tr>
<td>Options</td>
<td>7 AT</td>
<td><strong>Trademark records</strong></td>
<td>P</td>
</tr>
<tr>
<td>Pension records</td>
<td>P</td>
<td><strong>Travel records (employees)</strong></td>
<td>3</td>
</tr>
<tr>
<td>Petty cash records</td>
<td>3</td>
<td><strong>Uncollectible accounts records</strong></td>
<td>7</td>
</tr>
<tr>
<td>Property records:</td>
<td></td>
<td><strong>Union (labor) contracts</strong></td>
<td>P</td>
</tr>
<tr>
<td>Account ledgers</td>
<td>P</td>
<td><strong>Vouchers (copies)</strong></td>
<td>7</td>
</tr>
<tr>
<td>Appraisals</td>
<td>P</td>
<td><strong>Vouchers (register)</strong></td>
<td>10</td>
</tr>
<tr>
<td>Damage reports</td>
<td>7</td>
<td><strong>Wage and rate records</strong></td>
<td>7</td>
</tr>
<tr>
<td>Depreciation</td>
<td>7 AD</td>
<td><strong>Warrants</strong></td>
<td>P</td>
</tr>
<tr>
<td>Plans and specifications</td>
<td>P</td>
<td><strong>Withholding and exemption certificates</strong></td>
<td>7 AT</td>
</tr>
<tr>
<td>Purchases</td>
<td>P</td>
<td><strong>W-2 forms</strong></td>
<td>7</td>
</tr>
<tr>
<td>Sales</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase order copies</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase invoices</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receiving reports</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remittance statements</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requisitions</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales invoices</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salesmen commission reports</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Securities (brokerage slips)</td>
<td>7 AD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shipping tickets</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surety bonds</td>
<td>3 AT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax records (including worksheets,</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>bills and statements, and agent’s reports)</td>
<td></td>
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<td></td>
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</tbody>
</table>
**Policy:** Social Media Guidelines & Policy

**Issued By:** Human Resources

<table>
<thead>
<tr>
<th>Effective Date:</th>
<th>Last Update:</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2013</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Sec/#/Version:</th>
</tr>
</thead>
<tbody>
<tr>
<td>VI.1.0</td>
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</tbody>
</table>

**Scope:**
This policy applies to all employees and active associates working for PCF.

**Purpose**
PCF understands that social media, used responsibly, can be a fun and rewarding way to share your life and opinions with family, friends, and co-workers around the world.

Social media is increasingly accessible on a wide variety of platforms and its use presents certain risks and responsibilities, especially as it relates to your association with PCF.

To assist you in making responsible decisions about your use of social media relative to your work at PCF, we have established the following policy to guide appropriate use.

Nothing in this policy is designed to interfere with, restrain or prevent employee communications regarding wages, hours or other terms and conditions of employment. Employees have the right to engage in or refrain from such activities.

**Definition**
In the rapidly expanding world of electronic communication, social media can mean many things.

For the purposes of this policy, social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else’s web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with PCF, as well as any other form of electronic communication.

**Social Media and Work**
Refrain from using social media while on work time or on PCF equipment, unless it is work-related.

Do not create a link from your blog, website or other social networking site to any PCF website.

Do not use PCF email addresses to register on social networks, blogs or other online tools utilized for personal use.
### Responsible Personal Conduct

The same principles and guidelines found in PCF’s employee handbook and policies, apply to your activities online. Familiarize yourself with the *Standards of Conduct, Business Conduct and Conflict of Interest* sections of the PCF Employee Handbook.

You are solely responsible for what you post online and before creating online content, consider some of the risks and rewards that are involved.

### Inappropriate Postings

Inappropriate postings will not be tolerated and may subject you to disciplinary action up to and including termination.

Inappropriate postings are those that are maliciously untrue, as well as those that violate existing company policies such as:
- discriminatory remarks
- harassment or
- threats of violence

### Post with Honesty, Accuracy & Respect

**Be Honest & Accurate**

- Before posting, ensure the material is not knowingly false; instead, try to be truthful and accurate when posting information or news.
- If you make a mistake, correct it quickly.
- Be open about any previous posts you have altered. Remember the Internet archives almost everything; therefore, even deleted postings can be searched.
- Never post any information or rumors that you know to be maliciously false about PCF, fellow associates, members, customers, suppliers, and people working on behalf of PCF or competitors.

**Disclaimers**

- Express only your personal opinions.
- Never represent yourself as a spokesperson for PCF.
- If, from your post in a blog or elsewhere in social media, it is clear you are a PCF employee, or if you mention PCF, or it is reasonably clear you are referring to PCF or a position taken by PCF, and you express a political opinion or an opinion regarding PCF’s positions or actions, the post must specifically note that the opinion expressed is your personal opinion and not PCF’s position. This is necessary to preserve PCF’s good will in the marketplace.

**Be Respectful**

- Always be fair and courteous to fellow associates, customers, members, suppliers or people who work on behalf of PCF.
- Keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers, your supervisor, Human Resources, or any member of the PCF leadership team, than by posting complaints to a social media outlet.
- If you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, or that might constitute harassment or bullying.

**Examples include**

- maliciously offensive posts meant to intentionally harm someone’s reputation
- posts that could contribute to a hostile work environment on
<table>
<thead>
<tr>
<th>Maintain Confidentiality</th>
<th>Maintain the confidentiality of PCF trade secrets and proprietary information consistent with PCF policies.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Trades secrets may include information regarding the development of systems, processes, products, know-how and technology.</td>
</tr>
<tr>
<td></td>
<td>- Do not post internal reports, policies, procedures or other internal business-related confidential communications.</td>
</tr>
<tr>
<td></td>
<td>- It is inappropriate to use or disclose personal information (as explained below) about another individual or use or disclose PCF’s confidential or proprietary information in any form of social media.</td>
</tr>
<tr>
<td></td>
<td>- For purposes of this policy, personal information means an individual’s Social Security number, financial account number, driver’s license number, medical information (including family medical history) and other highly sensitive information, as well as, if applicable, information covered by PCF’s written Data Privacy Program.</td>
</tr>
<tr>
<td></td>
<td>- PCF confidential or proprietary information includes but is not limited to internal information regarding PCF’s finances, future business performance and business plans, business and brand strategies, and information which is or relates to PCF trade secrets.</td>
</tr>
<tr>
<td></td>
<td>- All PCF rules regarding confidential or proprietary information and personal information, including, as applicable, PCF’s Data Security Protection Policy (found under the Data Privacy section of the Policy and Procedures Page of the intranet), apply in full to social media, such as blogs or social networking sites. For example, any information that cannot be disclosed through a conversation, a note, a letter or an e-mail also cannot be disclosed in a blog. Sharing this type of information, even unintentionally, can potentially result in harm to the individual, harm to PCF’s business, and ultimately you and/or PCF being sued by an individual, other businesses or the government.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Report Misconduct/Retaliation Prohibited</th>
<th>The broad and dynamic scope of social media makes it very difficult to monitor effectively. If you become aware of social media misuse or misconduct as it relates to PCF; please contact your manager or a member of Human Resources.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PCF prohibits taking negative action against any employee or associate for reporting a possible deviation from this policy or for cooperating in an investigation.</td>
</tr>
<tr>
<td></td>
<td>Any employee who retaliates against another employee or associate for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.</td>
</tr>
</tbody>
</table>
Media Contacts

If you are contacted by a news organization or reporter via social media or any means, you are not authorized to respond on PCF’s behalf. In such cases, all outside inquiries should be directed to the Vice President, Communication & Change Management and/or the Director of Legal Affairs.

Exceptions/Policy Custodian

Any exception to this policy must have the prior and combined written approval of:

1. Vice President, Communication & Change Management
2. Director of Legal Affairs
3. Vice President, Human Resources

Management reserves the right to make changes or exceptions to this policy at their discretion.

I have read and agree to comply with the contents of the PCF Social Media Policy.

Signature: ______________________
Date: _________________________

This policy is included in the PCF Employee Handbook which is located, among other places, on the PCF Employee Self Service (ESS) site. Acknowledgement of receipt of this policy, either as part of the PCF Employee Handbook or separately via ESS or other means, indicates the employee has read this policy and accepts full responsibility for complying with its contents.
### Policy:
**Driving for PCF Business**

<table>
<thead>
<tr>
<th>Issued By:</th>
<th>Procurement &amp; Administrative Services - Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Date:</td>
<td>June 1, 2011</td>
</tr>
<tr>
<td>Sec/#/Version:</td>
<td>1-3.0</td>
</tr>
</tbody>
</table>

### Purpose:
To outline the responsibility and governance of employees who drive to conduct company business.

### Summary
Our name and reputation ride with each driver of a vehicle - company issued or personal - that is used for company business. Common sense, good judgment, road courtesy, and proper vehicle maintenance are the responsibilities of all drivers. Since driving is a major activity in our business, preventing personal injury, property damage and vehicle accidents demand the same interest and concern as business procedures relating to quality, volume and cost of operations.

### Driver Requirements
Drivers for company business must maintain a valid driver’s license in their state of residence.

Drivers for company business must provide a copy of their driving record prior to employment and periodically upon request.

Upon review of an employee’s Motor Vehicle Driving Record, moving violations are evaluated against criteria set in conjunction with our insurance company. An unsatisfactory evaluation may result in remedial action or termination of employment.

### Personal Vehicle Requirements*

*Drivers assigned a company vehicle are covered by PCF provided insurance; see Automobile Policy for PCF Fleet Drivers.*

Auto insurance on an employee’s personal vehicle used for company business must meet the following minimum insurance requirements:

⇒ Bodily injury per person: $100,000
⇒ Bodily injury per occurrence: $300,000
⇒ Property Damage: $50,000

OR

A combined, single limit of liability: $300,000

Drivers using their personal vehicle for company business must provide a copy of their auto insurance page(s) prior to employment and periodically upon request.

The page must show:

⇒ Employee/Driver’s name
⇒ Policy number
⇒ Coverage
⇒ Expiration date
### Incidents/Violations

Employees who drive to conduct company business are subject to corrective action, up to and including termination, if any of the following occurs:

- One or more incidents of reckless driving or driving while intoxicated within a three year period.
- Two or more at-fault accidents within a three year period.
- One at-fault accident and moving violation within a one year period.
- Two moving violations within a one year period.
- Any other conduct that exhibits unsafe driving habits.

PCF will not hire any applicant or will terminate any employee if any one of the following occurs:

- Capital violations, such as homicide or assault with a motor vehicle.
- Driving while intoxicated and/or under the influence of drugs while on company business.
- Two or more incidents of driving while intoxicated and/or under the influence of drugs while not on company business.
- Two or more incidents of reckless driving.
- Hit and run or negligent homicide.
- Three or more at-fault accidents during a three year period.
- Frequent history of moving violations.
- Any other conduct that exhibits unsafe driving habits.
- Driver’s license suspended or revoked.

### Accidents

All accidents that occur on company time or company property must be reported to the driver’s immediate supervisor within 24 hours of the accident.

*Accidents involving a company provided vehicle must be reported in accordance with the Automobile Policy for PCF Fleet Drivers.*

### Exceptions

Any exception to this policy must have the prior and combined written approval of:

1. Vice President of the employee’s work group
2. Vice President of Finance
3. Vice President of Human Resources

Management reserves the right to make changes or exceptions to this policy at their discretion.

---

I have read and received a copy of the Driving for PCF Business policy and understand that failure to comply with this policy may result in termination of employment.

Signature: ___________________________    Date: ______________

Printed Name: ___________________________    Position: ______________
Introduction to Paid Benefit Time Rev. Jan 2014
Parcel Delivery Services Full Time Employees

Below is a summary of paid benefit time for full time employees in the Parcel Delivery Services (PDS) group.

Due to PDS business requirements, paid time benefits for this new group may differ from those currently represented in the PCF Handbook.

Per Diem Rate
Due to the variable nature of PDS compensation, all benefit time will be paid at a per diem rate calculated and assigned to each route annually. Paid benefit time will be taken in full day increments.

Accrued Paid Benefit Time

<table>
<thead>
<tr>
<th>Vacation Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>⇒ Five days per year; accrues from your first day of employment, based on actual hours worked</td>
</tr>
<tr>
<td>⇒ You are eligible to use accrued vacation time once you have completed three months of continuous service</td>
</tr>
<tr>
<td>⇒ Vacation is permitted Jan 1st through Oct 15th; the blackout period for vacation is Oct 16th through Dec 31st</td>
</tr>
<tr>
<td>⇒ Vacation requests are granted on a first-come, first-served basis. Submit requests for vacation time to your supervisor with 30 days notice.</td>
</tr>
<tr>
<td>⇒ Your total accrued vacation is limited to twice the annual maximum noted above. If you reach the maximum, you will stop accruing vacation until time is taken and the balance falls below this limit.</td>
</tr>
<tr>
<td>⇒ You may request to apply earned vacation time if you are ill and have exhausted paid sick leave or are on certain unpaid leaves of absence.</td>
</tr>
<tr>
<td>⇒ Vacation time cannot be exchanged for pay, except at termination of employment. If you leave PCF, any accrued and unused vacation balance, up to the maximum, will be paid at the per diem rate assigned to your route.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sick Time</th>
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</thead>
<tbody>
<tr>
<td>⇒ Six days per year; accrues from your first day of employment based on actual hours worked</td>
</tr>
<tr>
<td>⇒ You are eligible to use accrued sick time once you have completed 30 days of continuous service; sick time is not an excused absence</td>
</tr>
<tr>
<td>⇒ Sick time balances are carried over year to year, capped at a maximum of 480 hours (12 weeks)</td>
</tr>
<tr>
<td>⇒ Employees with balances exceeding the 12 week cap, will stop accruing until their balance falls below the cap</td>
</tr>
<tr>
<td>⇒ Accumulated sick leave cannot be exchanged for pay if you leave PCF, unless otherwise provided by State law.</td>
</tr>
</tbody>
</table>

Granting Paid Benefit Time - Eligible after 30 days of employment

<table>
<thead>
<tr>
<th>Six Fixed Holidays</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Year’s Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas</td>
</tr>
<tr>
<td>⇒ Holidays are according to actual calendar dates and are paid at the per diem rate assigned to your route</td>
</tr>
<tr>
<td>⇒ Separate from approved time off, holiday pay entitlement for non-exempt employees is based on working the majority of the scheduled day before and the scheduled day after the holiday.</td>
</tr>
</tbody>
</table>

Scenario: Action:
1. If holiday falls on normally scheduled workday: You will receive normal pay for the 4 days worked, plus 1 day holiday pay: the per diem rate assigned to your route
2. If holiday falls on day not normally scheduled to work: You will receive normal pay for the 5 days worked, plus 1 day holiday pay: the per diem rate assigned to your route

Floating Holiday Blackout Period: October 16th through December 31st

Employees hired prior to January 1st of the current calendar year:
Full time employees are granted two floating holidays, each paid at the assigned per diem rate.

Employees hired between January 1st and June 30th of the current year:
Full time employees are granted one floating holiday, paid at the assigned per diem rate.

Employees hired on or after July 1st are not eligible for floating holiday(s) in that calendar year.

Personal Day Blackout Period: October 16th through December 31st

Employees hired prior to January 1st of the current calendar year:
Full time employees are granted two personal days, each paid at the assigned per diem rate.

Employees hired between January 1st and June 30th of the current year:
Full time employees are granted one personal day, paid at the assigned per diem rate.

Employees hired on or after July 1st are not eligible for personal day(s) in that calendar year.

Floating holiday and personal day requests are granted during eligible periods on a first-come, first-served basis. Submit requests for benefit time to your supervisor with as much notice as possible.

Unless otherwise required by State law, floating holidays and personal days may not be carried over from year to year, cannot be exchanged for pay and are not paid out upon termination of employment.

Paid Jury Duty Leave
⇒ If summoned, you will receive up to 5 days paid jury duty leave per year, paid at the per diem rate for your route
⇒ If your jury duty runs beyond 5 days, remaining leave will be unpaid, unless otherwise required by law

Paid Bereavement Leave
⇒ In the event of a death in your immediate family you will be paid for up to 3 days’ absence following the death
⇒ If you need more time, please discuss the situation with your supervisor

Updated January 2014 Paid Benefit Time: PDS FULL TIME
Corporate Office
22 West Pennsylvania Avenue, 5th Floor
Towson, Maryland 21204
410.821.8614

Pensacola Contact Center
3351-B McLemore Drive
Pensacola, Florida 32514
850.475.2000

Rockleigh Contact Center
8 King Road
Rockleigh, New Jersey 07647
201.750.5200

www.pcfcorp.com