



Employee Manual

August 2018 Edition

INTRODUCTORY AND GENERAL INFORMATION

WELCOME MICHELE LISA SALON

We are pleased that you have chosen Michele Lisa Salon as the place to begin or advance your career. Welcome to the team! This handbook will acquaint you with our policies and benefit programs. Michele Lisa Salon has proven itself a leader in the salon industry. The Company is proud of its good guest relations and its reputation in the area. In order for all of us to prosper, it is necessary that we maintain our high standard of guest service and satisfaction.

The Company considered many factors when selecting you as one of its employees, such as the ability to get along with your associates and the ability to project a good image to our guests. Other considerations, such as your prior employment record, skill, experience, intelligence, honesty, and dependability, were taken into account. Since we hired you, we believe that you will be a valuable addition to the Company.

The work environment includes both the working conditions and the personal relationships between the Company and the employees acting together as a team. We want you to feel free to talk to us, and we will feel free to talk to you. During the tenure of your employment, we always want to keep it this way. It is very important that every employee be treated as an individual and an important participant in the operation of our Company. We strongly believe that individual consideration in employee/Company relations provides the best climate for each employee's maximum development, for the teamwork between the employee and the Company, and for the attainment of the common goals of both the employee and the Company.

HOW TO USE THIS HANDBOOK

This handbook has been prepared to provide you with an outline of our policies, procedures, and current employee benefits. It is not a contract, and the contents are subject to change, addition, or deletion by the Company at any time. Any such changes will be communicated to you. If you have any questions about Company policies, please contact your Department Head, Manager or the Owner.

EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of Michele Lisa Salon to provide equal employment and advancement policies without regard to an employee's race, color, sex, religion, national origin, age or disability, as defined in the Americans With Disabilities Act (ADA). All employment-related decisions are based solely upon legitimate, job-related factors such as skill, ability, past performance, and Company needs. This policy will be carried out by the Company in a manner consistent with good business practices and procedures, and in compliance with all applicable state and federal laws.

IMMIGRATION ACT REQUIREMENTS

Michele Lisa Salon adheres to the requirements of the Immigration Reform and Control Act of 1986. Accordingly, we are required to and will inspect and verify documentation that reflects the identity of every new employee. Prior to the commencement of work, we require that you produce for inspection a U.S. Passport, citizenship papers, a resident alien card, or a combination of: (1) a Social Security Card or a U.S. Birth Certificate and (2) a valid driver's license or other legally acceptable photographic identification. We will make photocopies of the documentation you produce, have you complete an I-9 Form, and keep the documentation in our files for a minimum of three years.

LEVEL SYSTEMS

Our Level System determines service prices. It serves as a guide for evaluation on chemical percentage, referrals, pre-books, and retail performance.

ASSOCIATE PROGRAM

Associates must be licensed or a recent graduate awaiting state boards. They work very closely with our highest-level stylists for approximately ten (10) months to learn all aspects of cosmetology and guest service. Upon completion of the program, the associate will begin as a Level 1 stylist. We feel this program helps the stylist achieve a successful career at a faster rate than if they went out on the floor immediately upon graduation.

SUPPLIES

Employees are responsible for hard goods needed to perform services. I.e scissors, blow-dryer, curling iron, clippers, clips, combs, etc. If you do not have necessary items to perform ; you considered unprepared for a work day. As a result a this will reflect on your performance rating.

SALON HOURS

The salon's present hours are:

Sunday 11:00 a.m. – 3:00 p.m.

Tuesday– Friday 9:00 a.m. – 7:00 p.m.

Saturday: 8:00 a.m. – 5:00 p.m.

These hours are subject to change

An employee may not use the salon outside of these business hours without prior approval of the Owner. The Company will be closed on major holidays, as noted on the appointment calendar. Your Department Head or the Owner will schedule extra time off as needed including occasional closing for major educational events.

HOURS OF WORK/SCHEDULING CHANGES

Your Department Head will inform you of your hours of work. Due to the nature of our business, your hours may vary and may be adjusted to fit the needs of our guests. This schedule will also inform you of lunch breaks and other breaks in the work schedules. All changes to work schedules must be approved by your Department Head or the Owner. When specific time off is given, the Department Head or the Owner who approved such leave must initial the marked off block in schedule and fill out necessary forms.

TRIAL EMPLOYMENT PERIOD

All new employees are hired on a ninety-day trial basis. During this trial period, the Company will give careful consideration to your work and attitude, your ability, and your future value to the Company. You also have the opportunity during this time to consider whether or not you wish to work for Michele Lisa Salon. During this period, employment may be terminated by you, without notice, in which event there will be no adverse employment references. Likewise, if we feel your employment relationship is not going to work for our mutual benefit, your employment may be terminated by the Company, without notice, and for any cause the Company deems to be sufficient. Your progress during this period will be reviewed with you to make sure our employment relationship is a smooth one. This trial period is important for both you and the Company because we hope your employment with us will be satisfactory to you for a long period of time.

THE EMPLOYEE AGREES THAT COMPLETION OF THIS TRIAL EMPLOYMENT PERIOD WILL NOT BE CONSTRUED TO CREATE ANY CONTRACT OF EMPLOYMENT: ALL EMPLOYMENT WITH THE COMPANY IS "EMPLOYMENT-AT-WILL" AND MAY BE TERMINATED AT ANY TIME FOR ANY REASON, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT NOTICE AT THE OPTION OF EITHER THE COMPANY OR THE EMPLOYEE. THE EMPLOYEE AGREES THAT HE/SHE HAS NOT ENTERED INTO THE AT-WILL- EMPLOYMENT RELATIONSHIP IN RELIANCE ON ANY PROVISION OF THIS HANDBOOK AND THAT THIS HANDBOOK MAY NOT BE USED AS A BASIS FOR A CLAIM AGAINST THE COMPANY OR ITS AGENTS, OFFICERS OR EMPLOYEES IN THE EVENT EMPLOYMENT IS TERMINATED.

PERSONNEL RECORDS

Employee personnel records will be maintained by the payroll department. You must report the following information to your Department Head: Change in name, address, telephone number, number of dependents, insurance beneficiary, marital status, person to notify in case of emergency, additional education, new skills acquired, and any other information as requested to keep your personnel file current.

GENERAL COMPANY POLICIES

EMPLOYEE COMMUNICATION/OPEN DOOR POLICY

We want you to be happy and satisfied with your job. For this purpose, we emphasize two-way communication between the Company's owner, manager and employees. We realize that from time to time it is only normal that situations may arise where an employee has a question or complaint about some aspect of his/her employment with the Company. Because questions can only be answered and complaints can only be rectified when there is communication between the Company and its employees, the Company has an open door policy with respect to the availability of Department Heads and Owner. This is extremely important in order for us to maintain good channels of communication between the Company and you.

Although we feel no formal procedure is necessary to maintain good relations with employees, we urge that whenever you have a question or complaint, you make use of this communication policy. Communication is a two-way street and the Company cannot help you with a problem unless you bring it to our attention. It is likely that most questions or problems can be resolved by discussing them with your Department Head. It is best if discussion is initiated promptly after a question arises so that it may be dealt with without unnecessary delay. If you and your Department Head cannot resolve the question or problem, you should then present your views to the Owner. We want you to feel free to present your views and, to the end we pledge that no employee will be adversely treated for presenting his view of a problem to the Company. All matters of this sort will be settled promptly in accordance with Company policy. We hope this procedure will allow us to head off the minor problems before they become major problems.

TEAM MEETINGS

Team meetings are held every month. Attendance by all employees is required unless excused by your Department Head or the Owner.

EDUCATIONAL REQUIREMENTS

All employees must meet and maintain the New York State requirements for license. In addition, all employees are required to attend the in-salon classes. No excuses will be accepted other than illness or a death in the family. Employees are responsible for reviewing this schedule and ensuring their attendance at such classes. In addition based on your level that current year; you must attend "X" of external educational courses. *please see the education agreement for reimbursement and certificate options.

DOWN TIME

Salon appearance and atmosphere create an important first impression of our team. It also allows us to effectively serve our guests. The Company expects every employee to use their down time to wash and fold towels, pick up magazines and any debris, etc., in addition to keeping the shampoo area and their stations neat and clean.

FRONT DESK

The only persons authorized to be behind the front desk at any time are support team members, Department Heads and the Owner.

EMPLOYEE PARKING

The Company has designated parking areas for employees. The Company may from time to time change assigned parking areas. It is expected that you park your personal vehicle in this area. Failure to do so may result in disciplinary action.

PERSONAL PHONE CALLS

Employees are asked not to make or receive personal telephone calls or messages, except as absolutely necessary. Only in cases of emergency will employees be called away from their work to answer personal phone calls. If you anticipate the possibility of an emergency call, please alert guest services or your Department Head in as much advance as possible. Personal calls should be made on personal time and on public telephones; the salon phone is not for personal use. Cellular phones should not be used at stations. Please do not wear cellular phone headsets in the salon.

TIME RECORDS

We are required by federal and state law to maintain an accurate record of all hours worked for each hourly employee during a particular workweek. In order for us to comply with the law, it is mandatory that each employee accurately completes a time record that reflects all time worked each week. This time record must be in by computerized program, and must be certified weekly by the employee as a true and accurate record of all hours worked. It is a violation of Company policy for any employee other than you to mark your own time records. These records must be timely submitted to the Company, as required, in order for you to receive your pay.

You will not be paid for any overtime over your regularly scheduled hours, unless authorized by your Department Head. If you are required to work overtime, then indicate on your time record when you are starting to work and when you stop work. Your Department Head will sign off to show that overtime was authorized.

RETAIL REIMBURSEMENTS

Employees are paid retail commissions based on the percentage of retail sold compared to monthly service dollars (RTS) as follows:

\$0 - \$99 = 0%

\$100 - \$199 = 10%

\$200 - \$299 = 15%

\$300 and up = 20%

SERVICE CHARGE

The Company reserves the right to deduct a service charge to cover the cost of products, equipment, or other items as needed.

TIPS

Each employee is responsible for reporting their tips on their 1040 federal income tax form for all tips they receive each year of employment at Michele Lisa Salon. Forms for reporting tips for tax purposes are located in a designated file, as disclosed. This is the sole responsibility of the employee.

PAY PERIODS

Employees are paid weekly. Taxes are taken out of the gross amount earned each week. If the employee provides written authorization, the Company will also make deductions for group insurance, disability, and/or savings plans. Due to the additional bookkeeping work and inconvenience, the Company prefers not to handle garnishments. We expect our employees to maintain a good credit record that will minimize inquiries to our office concerning employees' debts.

ADVANCES

It is not Company policy to permit pay advances. The only time an employee will be permitted an advance on future earnings will be in the case of an emergency. Any request for an advance should be submitted in writing and must be approved by the Owner. Terms of the repayment of any advance will be made in writing, and will be deducted from the employee's future earnings, as agreed upon on a payroll deduction authorization form.

PERSONAL APPEARANCE

Employees must dress in a professional and fashionable manner. Employees are expected to follow the company dress code. Hair must be styled and changed periodically, and makeup is a necessity.

CONFIDENTIAL INFORMATION

The following information is deemed confidential and owned solely by Michele Lisa Salon. Accordingly, no employee shall copy, remove from the salon premises, or otherwise disclose to another person or company the following items:

1. Guest Information (including but not limited to Guest List and Guest Cards)
2. Personnel Manuals
3. Operating Manuals
4. Business Records (including but not limited to Sales Records, Payroll Data, Inventory, Tracking Data, Accounting Data, etc.)
5. Pricing Information, including any price lists and related information
6. SUMMIT System details, information, and materials
7. Other Information which is from time to time provided to you and identified as confidential or otherwise exclusively belongs to Michele Lisa Salon which is not readily available to third parties

Violation of this policy may result in disciplinary action, up to and including discharge.

Michele Lisa Salon may also pursue any other legal rights and remedies against the employee who violates this policy, or assists another employee in violating it.

GUEST RELATIONS AND COMPLAINT RESOLUTION

There are basically two types of guest complaints: service and merchandise. It is important to remember that the majority of complaints are made sincerely by guests who feel the complaints are justified. You should always keep in mind that the Company's continued success depends on satisfying guests. The guest views you as a representative of Michele Lisa Salon. Regardless of the circumstances, you should apologize graciously when a guest complains to you. You should then report the complaint to your Department Head to determine what, if any, restitution should be offered to the guest.

Be sure to stay calm and poised when dealing with an angry or upset guest. Do not argue with a guest under any circumstances. Reassure the guest that you are interested in helping him or her with the problem. If the guest resists your offers of restitution suggest that he or she meet with your Department Head. In the event the matter cannot be resolved, the matter should be

discussed with the Owner. Any service rendered that has to be readjusted; must be done so in the first week thereafter service, with original provider *note a revision fee will be assessed for that service. If for any one reason a guest does not want to be with the original provider for viable reason(s), another stylist will be assigned and commission for that service will be transferred to a new provider.

WORKPLACE SAFETY/CLEANLINESS

The Company wishes to maintain a clean, safe facility; in short, a facility you will enjoy. A clean salon also appeals to guests and invites their return visit. Accordingly, it is imperative that each employee keep their work areas clean. If any condition exists which, in your opinion, is unsafe, unsightly, or under par, please notify your Department Head immediately. If the condition continues to exist, please contact the Owner.

You should know and follow all common sense, safety, and fire regulations that will protect you and your fellow employees from inconvenience or serious injury. Horseplay will not be tolerated. Employees should know the location of fire extinguishers, electrical breaker boxes, water heaters, etc. During orientation, you will be given formal training concerning OSHA Right-to-Know Directives and information concerning hazardous materials with which you may be in contact. Employees are responsible for following all safety rules and for using safety equipment furnished by the Company. The Owner is available to hear your suggestions concerning safety at any time.

Report all injuries and accidents which may occur on the job promptly, no matter how trivial. Our insurance policies require the immediate notification to our insurance company. The Company carries worker's compensation insurance as required by state law, which provides coverage for medical expenses and lost time due to a work-related injury.

In case of an accident involving a guest, immediately call your Department Head or the Owner. Make notes of what you observed and obtain names, addresses, and phone numbers of the injured party and any witnesses to the accident.

PERFORMANCE APPRAISALS

Individual consultations concerning your performance will be scheduled on with your Department Head and/or the Owner.

RESIGNATION/TERMINATION

While we hope it will not be necessary for you to leave us, we understand that employees may wish to seek employment elsewhere. In this regard (after completion of the trial period), we expect you to give us adequate notice, at least ten (10) working days, so we may look for a replacement and avoid overburdening other employees. We consider this to be a reasonable

service for our guests.

On the last date of employment, all employees must return all property of Michele Lisa Salon to their Department Head. Further, we request employees who voluntarily terminate their employment to complete an exit questionnaire.

EMPLOYMENT BENEFIT POLICIES

INSURANCE

Michele Lisa Salon does not offer healthcare or medical benefits at this time.

DISCOUNT POLICY

Employees may get their hair styled, colored, or permed, their eyebrows done, or airbrush tanned, etc. before the work day begins, after it ends, or on a scheduled day off (hourly employees must be off of the clock). Employees are required to make a “paid-in” for the service rendered. ***This must be satisfied within the day of service.*** *note “paid-in” will vary based on service rendered and product(s) used. Please see the head of department for current year's details.

Employees may purchase products at a discount of the retail price. Employees may also directly order products from the suppliers at cost; see your Department Head for proper procedure prior to placing personal orders.

Family & Friends discounts are limited to five max. We honor three complimentary haircuts and 40% off color services with a relative provider. ****note discounts do not apply with other providers.*** We ask with these discounts, you choose times that are not prime. Retail purchased off shelves by family or friends will be extended 20% off.

VACATIONS

The vacation entitlement is as follows: Full time employees, starting at Level 2, are eligible for one (1) week of paid vacation per year after they have completed one full year of continuous employment. Full time employees at a Level 4 and above with one full year of continuous employment are granted two (2) weeks paid vacation. Full time support staff earn (1) week paid vacation after they have completed one full year of employment.

Vacations shall be paid for by the Company on a varied basis. These are as follows: Service Provider’s vacation pay is computed on the basis of their earnings only. Earnings are calculated as the average of the 12 weeks prior to the vacation. Employees who are not on a commission basis will be paid straight time hourly rate.

Vacation time must be taken to receive vacation pay, and it must be taken within the current

calendar year. Employees who earn vacation entitlement shall obtain approval from the office manager at least one (1) month in advance of vacation time. In the event employees' desired vacation periods create problems within their departments, vacations shall be scheduled on the basis of employee length of employment. Bering your scheduled vacation, the day(s) you are out of the salon, shall be made up within 30 days of time out.

The company has no liability for vacation pay should you leave before you have taken eligible vacation time within that calendar year. In the event of termination by the company for violation of Company work rules, vacation entitlement will be forfeited. In the event termination is due to layoff or lack of work, vacations will be paid. In the event of a break in an employee's service, vacation will be determined from the most recent employment date.

If not used within a given calendar year, vacation days are forfeited and do not carry over from year to year.

HOLIDAYS

The Company has adopted the following holidays, which are unpaid:

**New Year's Day | Memorial Day | Independence Day | Labor Day | Thanksgiving Day
Christmas Day | Mother's Day | Father's Day**

PERSONAL DAYS

For our business to function efficiently, our employees must observe regular attendance. However, on occasion, employees have legitimate reasons to be absent. In recognition of these situations, the Company has adopted the following personal business day program.

Full time and part time employees qualify for the personal business day program only after completing 90 days of employment. Personal days are defined as days which are scheduled ahead of time rather than called in on the day an employee is scheduled to work. ***This time is marked off after approval solely by the department head, manager or owner.*** Employees should provide as much notice as possible; failure to provide such notice may result in disciplinary warning for attendance tardiness problems. Personal days are unpaid.

An employee will earn one personal day for each calendar quarter worked, commencing on the first quarter following the 90 day trial employment period. ***If a Service Provider in any department requests a personal day less than one month in advance and it has a committed schedule on select date, request will be denied.***

LEAVE OF ABSENCE

Any employee who must be absent for an extended period (to exceed three (3) working days) for any medical or non-medical reason must make a written request for a leave of absence

to the Department Head or Owner. Such written request should be submitted prior to the leave (unless an emergency) and must contain the anticipated length of absence (including dates) and the circumstances prompting the request. Leaves of absence will only be granted for good cause, and are subject to verification and approval by the Company. The Company may request doctors' statements, when appropriate, as a condition prior to granting or extending a leave of absence. No employee may use a leave of absence to "try out" other employment.

Leaves may be granted for a period not to exceed thirty (30) days, and will not be extended without further written approval from the Owner. Due to the size of our operation, we cannot guarantee re-employment at the close of a leave of absence period. At the conclusion of the leave of absence, the employee may be allowed to return to work if, in fact, there is a job vacancy.

Failure of an employee to promptly report to work upon expiration of the granted leave of absence will be considered a voluntary termination of employment. During the leave of absence, the employee's seniority and vacation entitlements shall not accrue. The employee must check with the Department Head to determine on what terms and conditions his or her medical insurance will continue (if applicable) during such leave.

JURY DUTY

The Company has adopted the following policy with regard to jury duty. We do believe in community service. Should you be selected for jury service, an unpaid leave of absence will be granted while you serve on a jury.

BEREAVEMENT

An employee will be allowed an unpaid leave of up to three (3) days in the event of the death of a member of his/her immediate family. "Immediate family" shall be defined as mother, father, sister, brother, daughter, son, or spouse. For good cause, the Owner may extend the length of leave. The Company may also require proof of death and kinship, or allow the employee to use accrued vacation.

MATERNITY

Notify the department head, manager or owner as early as possible. The company will need to prepare for leave. You will be instructed to introduce select providers to your guests to ensure continued visits. Compensation is to be discussed based on a (3) month leave.

EMPLOYEE WORK RULES AND RESPONSIBILITIES

GENERAL COMPANY RULES

The Company's work rules are not all inclusive, and the Company further reserves the rights to alter, amend, or add to these rules as conditions may dictate. Each time a work rule is

altered or added, you will be appropriately advised. We welcome your comments and suggestions as to additional work rules or modification of work rules that might be more appropriate to our organization, as well as any other ideas, comments, or suggestions you may have with regard to these rules.

Warnable Offenses. The written warning is a formal step in the Company's disciplinary action process. Oral counseling and written warnings should be considered serious, and do become a formal part of the employee's personnel records. Repetition of an offense for which an employee has received prior counseling or written warnings may result in discharge. Employees may be asked to sign written warnings, and may make written comments concerning the warnings. In general, counseling or written warnings will be issued prior to termination of employment for violation of the following rules, unless the violations are willful or wanton:

1. Wasting time, loitering, or leaving work area during work hours without permission; failure to perform duties pursuant to Down Time policy.
2. Carelessness or inefficient performance of job duties resulting in either poor quality or quantity of work.
3. Creating or contributing to unsafe working conditions. Violation of, or disregard of, safety rules or safety practices.
4. Engaging in horseplay, running, scuffling, or throwing things.
5. Smoking in the salon or other unauthorized areas.
6. Failure to park in employee designated parking areas.
7. Excessive absenteeism or tardiness.
8. Making false or malicious statements concerning any employee, the Company, or its products, using abrasive language.
9. Misconduct of any nature adversely affecting the Company's best interest and reputation.
10. Failure to dress professionally pursuant to the Personal Appearance policy.
11. Using telephone during work hours to make or receive non emergency, non-work related telephone calls.
12. Failing to keep the work area clean.
13. Being on Company property except during work hours or without permission.
14. Careless handling of equipment or material. Abusing or misusing Company property or equipment. Failing to properly maintain and care for Company property or equipment. Failing to

report malfunctioning equipment.

15. Refusing to attend Company meetings, classes, or other required meetings.

16. Changing any work schedules without prior approval by your Department Head or the Owner.

Dischargeable Offenses. The following rules are considered to be extremely serious matters. The violation of any of these work rules may result in, at the discretion of the Company, in disciplinary action up to and including immediate discharge.

1. Failure to maintain requirements for your New York State license, if required for your position.

2. Repeating any conduct for which you have previously been warned.

3. Insubordination; refusal to perform assigned work or take orders from supervisor, interfering with supervision.

4. Moonlighting in a manner that competes with the Company or interferes with your job performance with the Company.

5. Walking off the job. Permission should be obtained from your supervisor.

6. Circulating or posting unauthorized literature of any type during work time and in work areas.

7. Sleeping or flagrantly loafing while on duty.

8. Competition with the Company for personal gain, which includes (1) use of employee discount on Company products for third persons, (2) selling Company products on the “outside” for extra income, or (3) violation of the Confidential Information Policy.

9. Scheduling “Fake” appointments for leaving early.

10. Not charging guests for services unless previously approved.

11. Failure to complete a “paid-in” for personal services.

12. Entering unauthorized contracts or incurring unauthorized expenses in the Company name.

The violation of any of the following work rules will result in immediate discharge.

1. Violation of Company’s substance abuse policy.

2. Violation of harassment policy.

3. Threatening, coercing, or maliciously interfering with fellow employees or guests during working hours or on Company premises.

4. Gambling in any form on Company property.
5. Fraudulent actions toward guests or the Company.
6. Attempting to and/or falsifying Company records, employment application, production records, or time records.
7. Instigating a fight or fighting at any time on Company premises.
8. Theft or removal from the premises without proper authorization of any Company property.
9. Bringing or possessing alcoholic beverages, illegal drugs, or weapons on Company property.
10. Theft, misappropriation, or destruction of Company records, property or equipment.
11. Falsification of Company records or documents.
12. Fighting, inflicting or threatening bodily harm to guests or co-workers.
13. Unauthorized possession of firearms, explosives, or other dangerous or lethal weapons on Company property.

ATTENDANCE AND PUNCTUALITY

In order for our Company to function efficiently, we must have all employees present for work. Daily attendance records will be maintained by the Company. If you are going to be absent, you must telephone your Department Head or the Owner at least two (2) hours prior to the start of your scheduled work shift. The report must be made by you directly to your Department Head or the Owner; you may not rely on friends, relatives, or fellow employees to convey a message for you. If your absence is unreported for a period of two days, without good reason, the Company will consider you have voluntarily terminated your employment.

Punctuality is as important as attendance. To be punctual, you must have your work area ready fifteen (15) minutes before your scheduled hour of work and be ready to serve guests. If you are going to be late by more than ten (10) minutes, you should provide advance notice to your Department Head or the Owner as to the anticipated length of tardiness. Regardless of the length of time you are tardy, you must immediately report to your Department Head or the Owner upon arrival at work and explain the reasons for your tardiness.

Poor attendance or tardiness may result in discipline up to and including discharge. Attendance records will also be taken into account when considering employees for promotion, advancement, pay increases, or transfer. If you have to leave the premises for any reason, it is

mandatory that you obtain permission from your Department Head or the Owner prior to leaving.

In case of weather emergency, as declared by local, state, or federal governments, employees are not expected to report to work. However, employees must call their Department Head or the Owner by the start of their scheduled work shift on that day to discuss scheduling issues.

LOSS PREVENTION

Employees should immediately report to their Department Head or the Owner if they notice any suspicious activity that might be detrimental to the Company. Such behavior includes, but is not limited to, employee or guest dishonesty or theft, collusion, falsification of appointment books or other Company records, failure to ring up sales, hazardous conditions, leak of confidential information or other competition with the Company, etc.

SUBSTANCE ABUSE POLICY

American businesses lose billions of dollars every year due to drug and alcohol abuse. These take the common forms of increased absenteeism, higher health care costs, low job performance and productivity, higher instances of theft in the workplace, and higher rates of on-the-job accidents which result in injury, not only to the abuser but to fellow employees.

The purpose of our policy is to provide an alcohol and drug-free workplace, ensure the health and safety of our employees, maintain the quality of work, and minimize any adverse effect on the Company or its employees. We therefore strictly forbid the use, possession, consumption, manufacture, distribution (for sale or not) or control of alcohol, controlled substances (by statutory definition), or drugs by any of our employees at any time during the working hours or any time on Company premises (including parking areas) or at any time while an employee is on Company business off premises. Reporting to work (including returning to work) or being at work with the unauthorized presence of drugs or alcohol in the employee's body or under their control, is likewise absolutely prohibited.

We reserve the right as a condition of initial or continued employment to administer a physical examination or drug test to applicants or employees. Should such a policy be in effect, applicant testing will be done as a regular part of pre-employment screening after initial job offer and as a condition of the job offer. Where necessary, the Company may require the employees to undergo such a physical examination or such drug testing in connection with possible drug or alcohol situations. Should the Company deem that such a test become necessary, the employee will be advised of the need for the test, and the test will be administered by a qualified laboratory and paid for by the Company. Based on results, termination of employment may apply.

NON-HARASSMENT POLICY (INCLUDES SEXUAL HARASSMENT)

Our Company does not tolerate and expressly condemns any harassment of our employees or guests by any employee or non-employee. Any form of harassment relating to an

employee's race, color, gender, religion, national origin, age, or disability, is a violation of our policy, and will be treated as a disciplinary matter. For our purposes, the term "harassment" includes, but is not necessarily limited to, slurs, jokes, and other verbal, graphic, or physical conduct relating to an individual's race, color, gender, religion, national origin, age or disability. "Harassment" also includes unwelcome sexual or social advances, request for sexual favors, and other verbal, graphic, or physical conduct of a sexual nature, Proven violation of this policy by an employee shall subject that employee to disciplinary action up to and including discharge.

If you feel you are being harassed by any other employee, supervisory or non-supervisory, because of your race, color, gender, religion, national origin, age or disability or are subjected to sexual harassment, you should at once make your feeling known to the Owner or a Department Head. We will give top priority to any such matter. We will see that the matter is investigated and, where appropriate, that disciplinary action is taken.

Harassment of our employees in connection with their work by non-employees may also be a violation of this policy. Any employee who becomes aware of any harassment of any employee by a non-employee should report such harassment to the Owner or a Department Head. Appropriate action will be taken against violation of this policy by any non-employee.

MOONLIGHTING

We expect full-time employees to devote their entire best effort to the performance of their position with the Company. While the Company cannot dictate the use of any employee's personal time, any other activity must not be in competition with or contrary to the Company's best interests, nor interfere with the proper and efficient performance of the employee's duties. Such action may be a cause for disciplinary action by the Company.

SOLICITATIONS AND DISTRIBUTIONS

Solicitations of employees or distribution of literature, pamphlets, or printed matter of any kind on company property by non-employees is prohibited.

Solicitation and literature distribution by an employee is strictly prohibited during any time the employee involved is expected to be working. This prohibition does not apply to periods such as breaks or meal times when those involved are not required to be working. Distribution of literature is not permitted at any time in the work areas.

EMPLOYEE ACKNOWLEDGMENT & RECEIPT

(EMPLOYEE COPY TO BE KEPT IN THIS MANUAL)

**ACKNOWLEDGMENT FOR RECEIPT AND EXPLANATION OF POLICY AND
PROCEDURE MANUAL**

The undersigned employee of Michele Lisa Salon hereby acknowledges the receipt of this employee handbook, and acknowledges the existence and receipt of the handbook does not constitute a contract of employment, but rather an employment status of “at will”. However, the undersigned agrees to conform to the provisions contained in the handbook, as the same may from time to time be amended.

I AGREE MY EMPLOYMENT IS AT-WILL, i.e., MY EMPLOYMENT MAY BE TERMINATED AT ANY TIME FOR ANY REASON, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT NOTICE AT THE OPTION OF EITHER THE COMPANY OR MYSELF, ANY VARIATION, LIMITATION OR MODIFICATION OF THE RIGHT TO TERMINATE MY EMPLOYMENT AT ANYTIME FOR ANY REASON, WITH OR WITHOUT CAUSE OR WITH OR WITHOUT NOTICE, MUST BE SET FORTH IN AN EXPRESSED WRITTEN AGREEMENT AND SIGNED BY THE OWNER AND MYSELF. THIS HANDBOOK DOES NOT VARY, LIMIT OR MODIFY AT-WILL EMPLOYMENT STATUS. THIS HANDBOOK MAY NOT BE USED AS A BASIS FOR A CLAIM AGAINST THE COMPANY OR ITS AGENTS, OFFICERS OR EMPLOYEES IN THE EVENT MY EMPLOYMENT IS TERMINATED.

In the event there is any confusion as to the provision of this handbook, the employee agrees that he/she will seek clarification of these policies and procedures from his/her Department Head or the Owner.

SIGNATURE: _____

DATE: _____

**ACKNOWLEDGMENT FOR RECEIPT AND EXPLANATION OF POLICY AND
PROCEDURE MANUAL**

The undersigned employee of Michele Lisa Salon hereby acknowledges the receipt of this employee handbook, and acknowledges the existence and receipt of the handbook does not constitute a contract of employment, but rather an employment status of “at will”. However, the undersigned agrees to conform to the provisions contained in the handbook, as the same may from time to time be amended.

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In the event there is any confusion as to the provision of this handbook, the employee agrees that he/she will seek clarification of these policies and procedures from his/her Department Head or the Owner.

SIGNATURE: _____

DATE: _____

AGREEMENT ON REIMBURSEMENT OF EDUCATION EXPENSES

THIS AGREEMENT ENTERED into this _____ day of _____, 20____, by and between Michele Lisa Salon (hereinafter referred to as the “Company”) and _____(hereinafter referred to as “Employee”).

WITNESSETH:

WHEREAS, the Company is the operator of certain Beauty Salon or Spa; and

WHEREAS, the Company may from time to time advance funds or pay for educational expenses for employee; and

WHEREAS, the Employee is required to attend certain educational classes to maintain his/her Beauty License; and

WHEREAS, the Employee must maintain his/her Beauty License as a requirement of employment with the Company;

NOW, THEREFORE, in consideration of promises made herein, it is now agreed by and between the parties as follows:

1. That the Company may, but is not obligated or required to advance or pay certain educational expenses on behalf of the Employee; 2. The Company is required to give ten (10) days notice prior to class date, should the Company

identifying attendance is to be mandatory. 3. Employee agrees that all classes shall be taken on Employee’s time and that Employee shall not

be paid for class attendance time, nor transportation time to and from classes; 4. Employee agrees that if Employee has an unexcused absence (i.e. no telephone contact with the Company prior to class or classes) from a mandatory class or classes, that Employee shall reimburse the Company for any funds advanced or expended by the Company on behalf of Employee for any educational expense. 5. Employee agrees that if Employee leaves the employment of the Company for any reason, whether by voluntary termination or dismissal, that Employee shall reimburse the Company for any funds advanced or expended by the Company on behalf of the Employee for any educational expense, for which said expense has been incurred within ninety (90) days of Employee’s last date of employment.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals on the day and year first above written.

Michele Lisa Salon EMPLOYEE

By: _____ (Name – Printed)

_____ (Signature)

Title: _____

(Owner or Owner Designee)