



Making a Difference One Person at a Time

Employee Manual

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WELCOME LETTER

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Dear Newest Chancy Drug Team Member,

Let us be the first to welcome you to our great company!

Our father and mother, Hubert and Sue Chancy, started Chancy Drugs back in 1966 in Hahira because of a real passion to help people and because of his love for Lowndes County and Hahira in particular. Dad has since passed away, but with our Mom and the rest of the family our business has continued to grow.

We take great pride in being an independent pharmacy locally owned and operated. We feel a great responsibility at each store to provide not just the best service, but also a need to know our patients and their families. We love our patients and we want them to know it. That is why our motto is:

“Making a Difference One Person at a Time”

Our father founded this business on two principles, maintaining the highest integrity in every area of business, and treating every patient like they are a member of our family. We see it this way, it was important to Dad and so maintaining those two standards is important to us.

There has been a great deal of pride that has brought our company to this point and so bringing on a new employee is just like expanding our family.

So congratulations in being our newest family member.

Sincerely,

Hugh M. Chancy

Bert A. Chancy

SECTION 1

INTRODUCTION

This Manual is designed to acquaint you with Chancy Drugs (hereafter referred to as the Company and/or Chancy Drugs) and provide you with information about working conditions, benefits, and policies affecting your employment.

The information contained in this Manual applies to all employees of the Company. Following the policies described in this Manual is considered a condition of continued employment. However, nothing in this Manual alters an employee's status. The contents of this Manual shall not constitute nor be construed as a promise of employment or as a contract between the Company and any of its employees. The Manual is a summary of our policies, which are presented here only as a matter of information.

You are responsible for reading, understanding, and complying with the provisions of this Manual. Our objective is to provide you with a work environment that is constructive to both personal and professional growth.

1.1 CHANGES IN POLICY

This Manual supersedes all previous employee manuals and memos that may have been issued from time to time on subjects covered in this Manual.

However, since our business and our organization are subject to change, we reserve the right to interpret, change, suspend, cancel, or dispute with or without notice all or any part of our policies, procedures, and benefits at any time. We will notify all employees of these changes. Changes will be effective on the dates determined by the Company, and after those dates all superseded policies will be null.

No individual supervisor or manager has the authority to change policies at any time. If you are uncertain about any policy or procedure, speak with your direct supervisor.

1.2 EMPLOYMENT APPLICATIONS

We rely upon the accuracy of information contained in the employment application and the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

1.3 EMPLOYMENT RELATIONSHIP

You enter into employment voluntarily, and you are free to resign at any time for any reason or no reason. Similarly, the Company is free to conclude its relationship with any employee at any time for any reason or no reason. Following the introductory period, employees are required to follow the Employment Termination Policy (See Section 3.18).

1.4 OPEN DOOR POLICY

Chancy Drugs strives to promote an atmosphere that allows Team Members to speak openly with management. We value the happiness and success of each Team Member and seek opportunities to help them achieve their goals whenever possible.

In situations where a Team Member needs to voice a work-related complaint, the following steps should be taken:

- The Team Member should first attempt to resolve the issue through discussion with their Supervisor.
- If the situation is not resolved within a reasonable time, it should be brought to the attention of the Operations Manager
- The Operations Manager should attempt to resolve the complaint within a reasonable time period and should preserve the confidentiality and privacy of those involved to the extent feasible.

SECTION 2

DEFINITIONS OF EMPLOYEES STATUS

EMPLOYEES” DEFINED

An “employee” of the Company is a person who regularly works for the Company on a wage or salary basis. “Employees” may include exempt, non-exempt, regular full-time, regular part-time, and temporary persons, and others employed with the Company who are subject to the control and direction of the Company in the performance of their duties.

EXEMPT

Employees whose positions meet specific criteria established by the Fair Labor Standards Act (FLSA) and who are exempt from overtime pay requirements.

NON-EXEMPT

Employees whose positions do not meet FLSA criteria and who are paid one and one-half their regular rate of pay for hours worked in excess of the 80 hours per pay period.

REGULAR FULL-TIME

Employees who have completed the 90-day introductory period and who are regularly scheduled to work 32 or more hours per week. Generally, they are eligible for the Company’s benefit package, subject to the terms, conditions, and limitations of each benefit program.

REGULAR PART-TIME

Employees who have completed the 90-day introductory period and who are regularly scheduled to work less than 32 hours per week.

TEMPORARY (FULL-TIME or PART-TIME)

Those whose performance is being evaluated to determine whether further employment in a specific position or with the Company is appropriate or individuals who are hired as interim replacements to assist in the completion of a specific project or for vacation relief. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status until they are notified of a change. They are not eligible for any of the Company’s benefit programs.

INTRODUCTORY PERIOD FOR NEW EMPLOYEES

A new employee whose performance is being evaluated to determine whether further employment in a specific position or with the Company is appropriate. When an employee completes the introductory period, the employee will be notified of his/her new status with the Company.

SECTION 3

EMPLOYMENT POLICIES

3.1 NON-DISCRIMINATION

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at the Company will be based on merit, qualifications, and abilities. The Company does not discriminate in employment opportunities or practices because of race, color, religion, sex, national origin, age or disability.

The Company will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention of their supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in unlawful discrimination will be subject to disciplinary action, including termination of employment.

3.2 NON-DISCLOSURE/CONFIDENTIALITY

The protection of confidential business information and trade secrets is vital to the interests and success of the Company. Such confidential information includes, but is not limited to, the following examples:

- Compensation data,
- Patient information,
- Financial information,
- Marketing strategies,
- Pending projects and proposals,
- Proprietary production processes,
- Personnel/Payroll records, and
- Conversations between any persons associated with the company.

All employees are required to sign a non-disclosure agreement as a condition of employment.

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

3.3 EMPLOYEE BACKGROUND CHECK

Prior to becoming an employee of ours, a job-related background check was conducted. As you may know, a comprehensive background check may consist of prior employment verification, professional reference checks, and education confirmation as appropriate, a credit, criminal health examination and/or driving record history may have also been obtained.

3.4 DRIVER'S LICENSE AND DRIVING RECORD

Employees whose work requires operation of a motor vehicle must present and maintain a valid driver's license and a driving record acceptable to our insurer. You will be asked to submit a copy of your driving record from time to time. Any changes in your driving record must be reported to your Supervisor immediately. Failure to do so may result in disciplinary action, up to and including possible termination. Drug Examinations are also required of drivers and others operating equipment.

3.5 HEALTH EXAMINATIONS

We reserve the right to require an employee's participation in a health examination to determine the employee's ability for performing his/her essential job functions. The company shall pay for any such health exams.

3.6 NEW EMPLOYEE ORIENTATION

Orientation is a formal welcoming process that is designed to make the new employee feel comfortable, informed about the company, and prepared for their position. New employee orientation is conducted by a Human Resources representative, and includes an overview of the company history, an explanation of the company core values, vision, and mission; and company goals and objectives. In addition, the new employee will be given a overview of benefits, tax, and legal issues, and complete any necessary paperwork.

Employees are presented with all codes, keys, and procedures needed to navigate within the workplace. The new employee's supervisor then introduces the new hire to staff throughout the company, reviews their job description and scope of position, explains the company's evaluation procedures, and helps the new employee get started on specific functions.

3.7 INTRODUCTORY PERIOD FOR NEW EMPLOYEES

Your first ninety (90) days of employment with us are considered an Introductory Period, and during that period you will not be eligible for benefits described in the Employee Manual unless otherwise required by law. This Introductory Period will be a time for getting to know your fellow employees, your supervisor and the tasks involved in your job position, as well as becoming familiar with our products and services. This simply means that we want to make sure that you can handle your work and that your abilities are being properly applied before transferring you to the regular payroll.

This Introductory Period is a "Getting acquainted" time for both you, as an employee, and Chancy Drugs as an employer. During this Introductory Period, Chancy Drugs will evaluate your suitability for employment, and you can evaluate us as well. Please understand, however, that completion of the Introductory Period does not guarantee continued employment, as employment is always at-will. You are free to terminate your employment at any time, with or without reason, and we may choose to terminate your employment at any time, with or without reason.

At the end of the Introductory Period, your supervisor will discuss your job performance with you. This review will be similar to the job performance review that is held for regular full-time or part-time employees on an annual basis.

A former employee who has been rehired after a separation from us of more than one (1) year is considered an introductory employee during their first ninety (90) days following rehire.

Part time employees hired as full time employees will begin their introductory period on the day that they are hired as a full time employee. No prior time worked as a part time employee will count toward the fulfillment of the Introductory Period.

3.8 OFFICE HOURS

Chancy Drugs is open for business Monday through Saturday except for Holidays (See Section 6.6, Holidays). Each location has different operational hours.

Full time employment is defined at Chancy Drugs as an employee who is on a regular schedule consisting of 32 or more hours per week. Our pay period is a two (2) week pay cycle with each pay period being Saturday through Friday.

3.9 LUNCH PERIODS

Employees, other than pharmacists, are allowed a one-hour unpaid lunch break. Lunch breaks generally are taken between the hours of 11:00 am and 2:30 pm on a staggered schedule so that your absence does not create a problem for co-workers or patients.

3.10 BREAK PERIODS

The Company does not provide for employees to break during production activities except for the above outlined lunch period.

If employees have unexpected personal business to take care of, they must notify their direct supervisor to discuss time away from work and make provisions as necessary. Personal business should be conducted on the employee's own time.

Employees who do not adhere to the break policy will be subject to disciplinary action, including termination.

3.11 PERSONNEL FILES

Employee personnel files may include the following: job application, job description, résumé, records of participation in training events, salary history, records of disciplinary action and documents related to employee performance reviews, coaching, and mentoring.

Personnel files are the property of the Company, and access to the information is restricted. Management personnel of the Company who have a legitimate reason to review the file are allowed to do so.

Employees who wish to review their own file should contact their supervisor. With reasonable advance notice, the employee may review his/her personnel file in Company's office during regular business hours and in the presence of their supervisor.

3.12 PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify their supervisor or the Company's Human Resources Department of any changes in personnel data such as:

- Mailing address,
- Telephone numbers,
- Name and number of dependents, and
- Individuals to be contacted in the event of an emergency.

An employee's personnel data should be accurate and current at all times.

3.13 COMPLAINT OR GRIEVANCE

If, for any reason, you cannot settle a grievance with your Supervisor, you can refer to the Organizational Chart of the Company and seek assistance with his superior. You will then be assisted in the procedure to settle the difference of opinion with your direct supervisor. (see Section 7.2, Procedure for Handling Complaints)

3.14 ACCEPTING GIFTS

At times, some suppliers may offer some forms of promotional items, gifts or money (cash, check, gift card) to promote their products and/or services. It is imperative that we communicate all such activity with senior management to determine the appropriateness of the product or service. We do not want to open ourselves to unnecessary criticism by accepting these gifts or favors.

3.15 INCLEMENT WEATHER/EMERGENCY CLOSINGS

At times, emergencies such as severe weather, fires, or power failures can disrupt company operations. The decision to close the store or the office will be made by the Company.

When the decision is made to close the store or the office, employees will receive official notification from their supervisors.

Time off from scheduled work due to emergency closings will be unpaid for all non-exempt employees. However, if employees would like to be paid, they are permitted to use paid time off if it is available to them.

3.16 EMPLOYEE PERFORMANCE REVIEW AND PLANNING SESSIONS

Because we want you to grow and succeed in your job, we conduct a formal review annually for each employee. New employees may be reviewed more often and particularly near the end of their Introductory Period. A review may also be conducted in the event of a promotion or change in duties and responsibilities.

During a formal performance review your Supervisor may cover the following areas:

- The quality and quantity of your work
- Strengths and areas for improvement
- Attitude and willingness to work
- Initiative and teamwork
- Attendance
- Customer service orientation
- Problem solving skills
- Ongoing professional growth and development

Additional areas may also be review as they relate to your specific job.

Your review provides a golden opportunity for collaborative, two-way communication between you and your Supervisor. This is a good time to discuss your interests and future goals. Your supervisor is interested in helping you progress and grow in order to achieve personal as well as work-related goals - perhaps he/she can recommend further training or additional opportunities for you. The performance review gives your Supervisor an opportunity to suggest ways for you to advance and make your job here more fulfilling.

Your Supervisor can answer any questions you may have about the performance review process.

3.17 OUTSIDE EMPLOYMENT

Employees are discouraged from taking an outside job, either for pay or as a donation of his/her personal time, with a customer or competitor of Chancy Drugs; nor may they do work on their own if it competes in any way with the sales of products or services we provide our customers. If your financial situation requires you to hold a second job, part-time or full-time, or if you intend to engage in a business enterprise of your own, Chancy Drugs must be notified and will be considered for approval by senior management. (Section 4 – Standards of Conduct) Unless an alternative work schedule has been approved by the Company, employees will be subject to the company's scheduling demands, regardless of any existing outside work assignments. Before accepting any outside employment you are encouraged to discuss the matter with your Supervisor.

3.18 EMPLOYMENT TERMINATION

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are a few examples of some of the most common circumstances under which employment is terminated:

Resignation – voluntary employment termination initiated by an employee.

Termination – involuntary employment termination initiated by the Company.

Layoff – involuntary employment termination initiated by the Company for non-disciplinary reasons.

Employment is at will, and neither Chancy Drugs nor employee has entered into a contract regarding the duration of employment. The employee is free to terminate employment with Chancy Drugs at any time, with or without reason. Likewise, Chancy Drugs has the right to terminate employment, or otherwise discipline, transfer, or demote employees at any time, with or without reason, at the discretion of Chancy Drugs. No employee of Chancy Drugs can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without the written approval of the President.

When a non-exempt employee intends to terminate his/her employment with the Company, to leave in good standing, he/she must give the Company at least two (2) weeks written notice. Exempt employees must give at least four (4) weeks written notice to leave in good standing.

Any employee who terminates employment with the Company shall return all files, records, keys, and any other materials that are property of the Company. No final settlement of an employee's pay will be made until all items are returned in appropriate condition. The cost of replacing non-returned items will be deducted from the employee's final pay check. Furthermore, any outstanding financial obligations owed to the Company will also be deducted from the employee's final check.

Employee's benefits will be affected by employment termination in the following manner. Some benefits may be continued at the employee's expense (See Section 6, Benefits and Services) if the employee elects to do so. The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations.

3.19 SAFETY

The Company provides information to employees about workplace safety and health issues through regular internal communication such as: Team meetings; other written communications, E-mail

Each employee is expected to obey safety rules and exercise caution and common sense in all work activities. Employees must immediately report any unsafe conditions to their supervisor. Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report, or where appropriate, remedy such situations, may be subject to disciplinary action including termination of employment.

In the case of an accident that results in injury, regardless of how insignificant the injury may appear, employees should notify their supervisor (See Section 3.21, Employee Requiring Medical Attention).

3.20 HEALTH-RELATED ISSUES

Employees who become aware of any health-related issue, including pregnancy, should notify their supervisor and Human Resources Representative of health status. This policy has been instituted strictly to protect the employee.

A written "permission to work" from the employee's doctor is required at the time or shortly after notice has been given. The doctor's note should specify whether the employee is able to perform regular duties as outlined in his/her job description.

A leave of absence may be granted on a case-by-case basis. If the need arises for a leave of absence, employees should notify their supervisor and Human Resources Representative.

3.21 EMPLOYEE REQUIRING MEDICAL ATTENTION

In the event an employee requires medical attention, whether injured or becoming ill while at work, the employee's personal physician must be notified immediately. If it is necessary for the employee to be seen by the doctor or go to the hospital, a family member will be called to transport the employee to the appropriate facility. If an emergency arises requiring Emergency Medical Services to evaluate the injury/illness of an employee on-site, the employee will be responsible for any transportation charges. Furthermore, the Company's employees will not be responsible for transportation of another employee due to liabilities that may occur.

A physician's "return to work" notice will be required before employee can return to work.

3.22 BUILDING SECURITY

All employees who are issued keys to the office are responsible for their safekeeping. These employees will sign a Building Key Disbursement form upon receiving the key. The last employee, or a designated employee, who leaves the office at the end of the business day assumes the responsibility to ensure that all doors are securely locked, the alarm system is armed, thermostats are set on appropriate evening and/or weekend setting, and all appliances and lights are turned off with exception of the lights normally left on for security purposes. Employees are not allowed on Company property after hours without prior authorization from the Company.

3.23 INSURANCE ON PERSONAL EFFECTS

All employees should be sure that their own personal insurance policies cover the loss of anything occasionally left at the office. The Company assumes no risk for any loss or damage to personal property.

3.24 SUPPLIES; EXPENDITURES; OBLIGATING THE COMPANY

Only authorized persons may purchase supplies in the name of the Company. No employee whose regular duties do not include purchasing shall incur any expense on behalf of the Company or bind the Company by any promise or representation without written approval.

3.25 EXPENSE REIMBURSEMENT

Expenses incurred by an employee must have prior approval by a supervisor. Reimbursements will be included in the employee's next regular pay check. An example of such an expense would include mileage. All completed reimbursement request forms should be turned in to Payroll Department by the Monday before payday.

3.26 PARKING

Employees must park their cars in areas indicated and provided by the Company.

3.27 VISITORS IN THE WORKPLACE

To provide for the safety and security of employees, visitors, and the facilities at the Company, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps ensure security, decreases insurance liability, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

3.28 IMMIGRATION LAW COMPLIANCE

The Company employs only United States citizens and those non-U.S. citizens authorized to work in the United States in compliance with the Immigration Reform and Control Act of 1986.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with the Company within the past three years or if their previous I-9 is no longer retained or valid.

SECTION 4

STANDARDS OF CONDUCT

The work rules and standards of conduct for the Company are important, and the Company regards them seriously. All employees are urged to become familiar with these rules and standards. In addition, employees are expected to follow the rules and standards faithfully in doing their own jobs and conducting the Company's business. Please note that any employee who deviates from these rules and standards will be subject to corrective action, up to and including termination of employment.

4.1 WORK RULES

Every employee will participate in yearly HIPAA training and at the start of your employment with Chancy Drugs. It is at the top of the list when we discuss "Standards of Conduct". We take HIPAA compliance very seriously and therefore any violation of HIPAA is a Class A offense.

It is impossible for any set of work rules to cover every situation or behaviour that may occur in the workplace. The purpose of the following set of work rules is to help every Chancy Drugs team member understand what is expected of them and to indicate what types of activities are to be avoided. The Company may, at any time, decide upon additional rules or change any rules that are already in place. The most important purpose of these rules is to provide guidelines that will help all of us deliver the high quality service that our patients deserve and have come to expect from Chancy Drugs.

Workplace Defined: The workplace is defined as any Company leased, owned or occupied facility, office, parking area, loading/receiving area, and Company or personal vehicle used in the normal course of business. This policy also extends to associates on the property of our clients, customers and suppliers including any vehicle owned by them.

Violations of work rules may result in some form of disciplinary action, depending upon the seriousness of the offense.

The Company reserves the right to prosecute any team member who commits criminal offenses against the Company or its team members, clients, customers, or supplies.

The types of offenses are classified as follows:

- A. Very serious offenses which will normally result in immediate dismissal
- B. Serious offenses which will normally result in strong disciplinary action and possible suspension or dismissal.
- C. Offenses which will not normally result in immediate dismissal but make it necessary for the Company to take steps to address the issue of a team member's job performance or personal behaviour. These types of offenses will generally be subject to progressive counselling.

Progressive counselling will be carried out on the following basis:

Probationary Period

- 1. First offence Final Progressive Counselling
- 2. Second offense Dismissal

After Probationary Period

- 1. First offense within a twelve (12) month period First Progressive Counselling
- 2. Second offense within a twelve (12) month period Second Progressive Counselling
- 3. Third offense within a twelve (12) month period Third Progressive Counselling
- 4. Fourth offense within a twelve (12) month period Dismissal

The progressive counselling process is based upon a twelve (12) month period. Any offenses which occur within this time period will count towards any disciplinary action taken against a team member. Progressive counselling may be verbal or written.

NOTE: Depending upon the nature and circumstance of the offense, stronger disciplinary action may be more appropriate than actions outlined above.

The following examples for each of the three categories of offenses are intended to help all Chancy Drugs team members understand what types of behaviour or conduct to avoid.

A. Examples of very serious offenses which will normally result in dismissal:

1. Any violation of the HIPAA policy.
2. Violation of any company rule; any action that is detrimental to Chancy Drugs efforts to operate profitably.
3. Violation of security or safety rules or failure to observe safety rules or our safety practices; failure to wear required safety equipment, tampering with company equipment or safety equipment.
4. Negligence or any careless action, which endangers the life or safety of another person.
5. Being intoxicated or under the influence of a controlled substance while at work; use, possession or sale of a controlled substance in any quantity while on company premises, except medications prescribed by a physician which do not impair work performance.
6. Unauthorized possession of dangerous or illegal firearms, weapons or explosives on company property or while on duty.

7. Engaging in criminal conduct or acts of violence or making threats of violence toward anyone on company premises or when representing us; fighting, or provoking a fight on company property, or negligent damage of property.
8. Violating the non-disclosure agreement; giving confidential or proprietary Chancy Drugs information to competitors or other organizations or to unauthorized employees; working for a competing business while an employee of ours; breach of confidentiality of personnel information.
9. Obscene or abusive language toward any supervisor, employee or customer; indifference or rudeness towards a customer or fellow employee; any disorderly/antagonistic conduct on company premises.
10. Failure to use your timesheet; alteration of your own timesheet or records or attendance documents; punching or altering another employee's timesheet or records, or causing someone to alter your timesheet or records.

B. Examples of serious offenses which call for strong disciplinary action and possible suspension or dismissal:

1. Insubordination or refusing to obey instructions properly issued by your Supervisor pertaining to your work; refusal to help out on a special assignment.
2. Threatening, intimidating or coercing fellow employees on or off the premises at any time, for any purpose.
3. Engaging in an act of sabotage; negligently causing the destruction or damage of company property, or the property of fellow employees, customers, suppliers, or visitors in any manner.
4. Theft or unauthorized possession of company property or the property of fellow employees; unauthorized possession or removal of any company property, including documents, from the premises without prior permission from management, unauthorized use of company equipment or property for personal reasons; using company equipment for profit. Theft will not be tolerated and will result in termination and prosecution.
5. Immoral conduct or indecency on company property.
6. Buying company merchandise for resale.
7. Speeding or careless driving while on company business.
8. Failure to immediately report damage to, or an accident involving, company equipment.

C. Examples of offenses which will generally be subject of a progressive counselling:

1. Dishonesty; falsification or misrepresentation on your application for employment or other work records; lying about sick or personal leave; falsifying reason for a leave of absence or other data requested by Chancy Drugs; alteration of company records or other company documents.
2. Spreading malicious gossip and/or rumors; engaging in behavior which creates discord and lack of harmony; interfering with another employee on the job; restricting work output or encouraging others to do the same.
3. Conducting a lottery or gambling on company premises.

4. Unsatisfactory or careless work; failure to meet production or quality standards as explained to you by your Supervisor.
5. Any act of harassment, sexual, racial or other; telling sexist or racist jokes; making racial or ethnic slurs.
6. Leaving work before the end of a workday or not being ready to work at the start of a workday without approval of your Supervisor; stopping work before time specified for such purposes.
7. Sleeping or loitering during working hours.
8. Excessive use of company telephone for personal calls or cell phone during scheduled hours.
9. Smoking in restricted areas or at non-designated times, as specified by department rules.
10. Creating or contributing to unsanitary conditions.
11. Posting, removing or altering notices on any bulletin board on company property without the permission of an officer of Chancy Drugs.
12. Failure to report an absence or late arrival; excessive absence or lateness.
13. Soliciting during working hours and/or in working areas; selling merchandise or collecting funds of any kind for charities or others without authorization during business hours, or at a time or place that interferes with the work of another employee on company premises.

4.2 DISCIPLINARY ACTIONS

This Disciplinary Actions Policy applies to all regular employees who have completed the Introductory Period. During the Getting Acquainted period there are different rules for absenteeism and tardiness.

This policy pertains to matters of conduct as well as the employee's competence. However, an employee who does not display satisfactory performance and accomplishment on the job may be dismissed, in certain cases, without resorting to the steps set forth in this policy.

Under normal circumstances, Supervisors are expected to follow the procedure outlined below. There may be particular situations, however, in which the seriousness of the offense justifies the omission of one or more of the steps in the procedure. Likewise, there may be times when the company may decide to repeat a disciplinary step.

Discipline Procedure

Unacceptable behavior that does not lead to immediate dismissal may be dealt with in the following manner:

1. Verbal Warning
2. Written Warning
3. Decision-Making Leave / Counselling Session
4. Termination

To insure that our business is conducted properly and efficiently, you must conform to certain standards of attendance, conduct, work performance and other work rules and regulations. When a problem in these areas does arise, your Supervisor will coach and counsel you in mutually developing an effective solution. If, however, you fail to respond to coaching or counselling, or an incident occurs requiring formal discipline, the following procedures occur:

Step One: Verbal Warning

Your Supervisor will meet with you to discuss the problem or violations, making sure that you understand the nature of the problem or violation, and the expected remedy. The purpose of this conversation is to remind you of exactly what the rule or performance expectations and also to remind you that it is your responsibility to meet our expectations.

You will be informed that the Verbal Warning is the first step of the discipline procedure. Your Supervisor will fully document the Verbal Warning, which will remain in effect for three (3) months. Documentation of the incident will remain in the confidential department file and will not be placed in your personnel record, unless another disciplinary event occurs.

Step Two: Written Warning

If your performance does not improve within the three (3) months period, or if you are again in violation of Chancy Drugs practices, rules or standards of conduct, your Supervisor will discuss the problem with you, emphasizing the seriousness of the issue and the need for you to immediately remedy the problem. Your Supervisor will advise you that you are now at the second formal level of disciplinary action. After the meeting, your supervisor will write a memo to you summarizing the discussion and your agreement to change. A copy of the memo will be placed in your personnel file.

The Written Warning will remain in effect for three (3) months.

Step Three: Decision-Making Leave / Counselling Session

If your performance does not improve within a specified time following the Written Warning, or if you are again in violation of the company practices, rules or standards of conduct, you will be placed on Decision-Making Leave. The Decision-Making Leave is the third and final step of our disciplinary process.

Decision-Making Leave is an unpaid, one (1) day disciplinary suspension. Employees on Decision-Making Leave will spend the following day away from work deciding whether to commit to correcting the immediate problem and to conform to all of the company's practices, rules and standards of conduct, or to quit and terminate their employment with us.

If your decision following the Decision-Making Leave is to return to work and abide by our practices, rules and standards of conduct, your Supervisor will write a letter to you explaining your commitment and the consequences of failing to meet this commitment. You will be required to sign the letter to acknowledge receipt. A copy will be placed in your personnel file.

You will be allowed to return to work with the understanding that if a positive change in behavior does not occur, or if another disciplinary problem occurs within the next three (3) months, you will be terminated.

If you are unwilling to make such a commitment, you may either resign or be terminated.

Crisis Suspension

A violation of an "A" or "B" level offense previously listed (See Section 4.1; Work Rules) may result in being suspended without pay pending an investigation of the situation. Following the investigation you may be terminated without any previous disciplinary action having taken place.

The provision of this Disciplinary Policy is not a guarantee of its use. We reserve the right to terminate employment at any time, with or without reason. Additionally, we reserve the right to prosecute any employee for any of the above infractions.

4.3 ATTENDANCE/PUNCTUALITY: {Revised 6/29/2021}

At Chancy Drugs, we have always done our best to please our customers and provide them with the quality service that they deserve and have come to expect. Every Chancy Drugs team member is an important part of our team and when even one team member is absent or late for work, the rest must work even harder to fill that person's place.

Although we do understand that there are times when every team member may be absent or late for work with a perfectly good excuse, we cannot accept repeated absences or lateness. It simply is not fair to your fellow team members. In addition, it certainly is not fair to our customers who deserve nothing less than our very best. Our customers have come to expect prompt and efficient service. This requires that we all work together as a team.

It is for these reasons that Chancy Drugs has put into place the following attendance policy. Failure to follow these guidelines will be documented and placed in your personnel file.

If something unexpected comes up and you realize that you are going to be late or absent, please call your supervisor as soon as you possibly can. Contact with your supervisor is very important – if you are able to notify them an hour or so before your scheduled starting time, they will have an opportunity to better prepare the rest of your team for your absence. This courtesy will not only be appreciated by your fellow workers, but also by the customer who will not notice a change in the quality of service they receive.

It is important that you call and speak directly to your supervisor to report your absence unless you are physically unable to do so. If your supervisor is unavailable and you leave a message with another person, it is your responsibility to call back the same day and discuss your absence with your supervisor. This will not only ensure that your message has been passed along, but it will give your supervisor a chance to find out when you plan to return to work.

Should you fail to show up for work or notify your supervisor two (2) days in a row, this will be recorded as job abandonment. Two (2) one day incidents of "no call, no show" in any twelve (12) month period will result in termination regardless of the number of other occurrences documented within the past twelve (12) month period.

If you are absent for two (2) or more consecutive days, a doctor's release may be required before or on the day you return to work.

NOTE: Any time off, paid or unpaid, approved at least one day in advance by your supervisor, does not count against you for disciplinary purposes. Examples are holidays, vacation, funeral leave, jury duty, FMLA leave and a leave of absence covered by Workers' Compensation.

Absences

It is the Company's policy to count occurrences, not the individual number of days an associate is absent. For example, if an associate is sick with the flu and is absent for three (3) days, this period will only count as one (1) occurrence, not three (3) occurrences.

Lateness

It is Company policy to count occurrences, not the amount of time an associate is late. An associate is considered late whenever he/she is not at his/her workstation on time. This includes, but is not limited to, taking longer than normal lunch breaks, too many breaks during the day, showing up late or leaving work early. Each of these violations will count as one half (1/2) occurrence.

Should a supervisor feel that an associate is missing too much time from work due to absence or lateness; these occurrences will be recorded and counted together based on the following schedule:

If employed less than 90 days:
One occurrence documented verbal warning
Two occurrences final written warning
Three occurrences dismissal

If employed more than 90 days:
Five occurrences written warning
Six occurrences final warning
Seven occurrences dismissal

These attendance and lateness guideline are based on a twelve (12) month period. For example, if you are absent from work on March 1, this attendance occurrence will remain on record and will count towards any disciplinary action until March 1 of the following year.

NOTE: In certain cases, depending on the circumstances, your supervisor may feel that harsher disciplinary measures than those outlined above are necessary.

These guidelines are in place to ensure that every team member is contributing equally to providing our customers with quality service. We all know and understand what it is like to suffer from a sickness, to be caught in traffic, to sleep past the buzzer on your alarm clock or to have to deal with a family emergency. This understanding, however, is something that is earned. By showing those you work with that you can be depended upon, that you are a reliable and responsible person, you show that you have earned and deserve a certain amount of understanding when schedules do not go exactly as planned. This is one of the benefits of working as a team player. When every Chancy Drugs team member is focused on the same goal, our customers are provided with the very best service that we have to offer. In addition, it is this dedication to customer service that must always be our first priority.

4.4 HARASSMENT, INCLUDING SEXUAL HARASSMENT

The Company is committed to providing a work environment that is free of discrimination and unlawful harassment. Actions, words, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, or any other legally protected characteristic will not be tolerated. If you believe you have been the victim of harassment, or know of another employee who has, report it immediately. Employees can raise concerns and make reports without fear of reprisal.

Any supervisor who becomes aware of possible harassment should promptly advise their supervisor or the Human Resources Representative who will handle the matter in a timely and confidential manner.

4.5 TELEPHONE USE

The Company telephones are intended for the use of serving our customers and in conducting the Company's business. Personal usage during business hours is discouraged except for extreme emergencies. All personal telephone calls should be kept brief to avoid congestion on the telephone line.

Cell Phones: If you work in a position which requires interaction with customers (insurance companies, all prescribers, and our regular customers) either in person or by phone, the following policy applies. (Delivery Drivers are excluded) Upon clocking in to work, all cell phones will be placed in a designated area in the pharmacy away from the bench and all FIS stations. Cell phones should be placed on "Silence".

Employees will be free to check their phones during their shift but only at times which will not interfere with their job performance, or as directed by the pharmacist in charge that day. After checking your phone if it is necessary for you to return a text or phone call, you will need to ask permission and step away from the work area so as not to disrupt the other team members.

This policy is mandatory and any first violation will result in a three day suspension without pay.

In cases of emergency, family member can call the store if necessary; however, to respect the rights of all employees and avoid miscommunication in the office, employees must inform family members and friends to limit personal telephone calls during working hours.

If an employee is found to be deviating from this policy, he/she will be subject to disciplinary action.

4.6 DRESS CODE

A professional appearance is important anytime that you come in contact with customers or potential customers. Employees should be well groomed and dressed appropriately for our business and for their position in particular. During your working hours you must wear your name badge. The first name badge will be provided for you.

Pharmacy employees: Name badge
 Appropriate red colored scrubs
 Closed toe shoes
 Coordinating jacket (red, gray, or black in color)

Pharmacists Name badge
 White lab coat (must be worn at all times during access hours),
 Red scrubs or business casual (dress shirt, dress pants, or dresses (dresses may be worn with legging).

Delivery Driver: Name badge
 Slacks and collared shirt or blouse

Non-Pharmacy Employees: Business casual (dress shirt, dress pants, or dresses (dresses may be worn with leggings).

The following items are considered inappropriate working attire for the Company:

- Crocs without backs and open toe athletic sandals
- Tank tops or sleeveless shirts
- Short mini skirts
- Sheer clothing
- Shorts – short pants
- Frayed and/or torn pants
- Sweatshirts
- Oversized tunics or sweaters that do not cover at least to mid- thigh with leggings

Casual Days: On Fridays, Saturdays, and days designated by management, employees are allowed to wear a Chancy Drugs logo T-shirt, jeans, and/or red scrubs. If working in a pharmacy or clinical area you must wear closed toe shoes. All attire must not be in violation of inappropriate work attire outlined above.

Grooming and Appearance: Hair must be clean, neat, and if colored, maintained in a natural tone. This means no colors such as green, purple, blue, pink, etc.

1. Hair styles - A neat natural haircut and hairstyle is important. For men, the hair should not extend beyond or cover the ear or shirt collar. Extreme styles such as shaving or sculpting a design in the hair or allowing hair to fall into your eyes are not acceptable. Facial hair should be trimmed and neat (5 o'clock shadows are not permitted.) Wearing artificial hair is acceptable as long as it appears natural. Women with long hair should wear it in a style that keeps it neat, tidy, and out of their face.
2. Tattoos are permitted but must not be visible.
3. Facial piercings are not permitted other than earrings in the ear and not more than two per ear. Examples of unacceptable facial piercings are nose, tongue, eyebrow, etc.

Consult your supervisor if you have any questions about appropriate working attire.

4.7 SUBSTANCE ABUSE

The Company is committed to providing a safe and productive workplace for its employees. In keeping with this commitment, the following rules regarding alcohol and drug use have been established for all staff members, regardless of rank or position, including both regular and temporary employees. The rules apply during working hours to all employees of the Company while they are on Company premises or elsewhere on Company business.

The manufacture, distribution, possession, sale, or purchase of controlled substances on Company property is prohibited.

Being under the influence of illegal drugs, alcohol, or controlled substance on Company property is prohibited. Working while under the influence of prescription drugs that impair performance is prohibited.

Definitions to terms in the previous stated policy are as follows:

Company property: All Company owned or leased property used by employees.

Controlled substance: Any substance listed in Schedules I-V of Section 202 of the Controlled Substance Act, as amended.

Drug: Any chemical substance that produces physical, mental, emotional, or behavioral change in the user.

Drug paraphernalia: Equipment, a product, or material that is used or intended for use in concealing an illegal drug, or otherwise introducing into the human body an illegal drug or controlled substance.

Illegal drug:

- a. Any drug or derivative thereof whose use, possession, sale, transfer, attempted sale or transfer, manufacture, or storage is illegal or regulated under any federal, state, or local law or regulation.
- b. Any drug, including – but not limited to – a prescription drug, used for any reason other than that prescribed by a physician.
- c. Inhalants used illegally.

Under the influence: A state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of an alcoholic beverage, drug, or substance of abuse.

Consistent with the rules listed above, any of the following actions constitutes a violation of the Company's policy on drugs and may subject an employee to disciplinary action, up to and including immediate termination.

Using, selling, purchasing, transferring, manufacturing, or storing an illegal drug or drug paraphernalia, or attempting to or assisting another to do so, while in the course of employment.

Working or reporting to work, conducting Company business or being on Company property while under the influence of an illegal drug or alcohol, or in an impaired condition.

4.8 TOBACCO PRODUCTS

The use of tobacco products is not permitted anywhere on the Company's premises except in authorized and designated locations. Employees must adhere to all policies associated with this policy (See Sections 3.10, Break Periods and 3.19, Safety).

4.9 INTERNET USE

Employees may use the Internet to access information needed to conduct business of the Company and to serve our employees. Employees will be issued a Chancy Drugs e-mail address for their use. Much of the Company's communication is done by e-mail. It is the responsibility of each employee to check and respond to their company e-mail on a regular basis.

Use of the internet for personal reasons is prohibited on any Chancy Drugs computers or while working at your job. This includes any social networking, shopping, paying bills or general web surfing.

Internet messages are public and not private. The Company reserves the right to access and monitor all files and messages on its system.

SECTION 5

WAGE AND SALARY POLICIES

5.1 WAGE OR SALARY INCREASES

Each employee's hourly wage or annual salary will be reviewed at least once each year. The employee's review date will usually be conducted on or about the anniversary date of employment or the date of the previous compensation review. Such reviews may be conducted more frequently for a newly created position, or based on a recent promotion.

Increases will be determined on the basis of company profitability, performance, adherence to company policies and procedures, and ability to meet or exceed duties per job description and achieve performance goals (See Section 3.16, Performance Review/Planning Sessions).

Although the Company's salary ranges and hourly wage schedules will be adjusted on an ongoing basis, the Company does not grant "cost of living" increases. Performance is the key to wage increases in the Company.

5.2 TIMEKEEPING

Accurately recording time worked is the responsibility of every non-exempt employee. Time worked is the time actually spent on a job(s) performing assigned duties.

The Company does not pay for extended breaks or time spent on personal matters.

The time clock is a legal instrument. Altering, falsifying, tampering with time records, or recording time on another team member's time record outside the scope of management duties will result in disciplinary action, including termination of employment.

All employees will use the time clock. Missed clock-in/clock-out times must be recorded and approved by management.

Authorized personnel will review time records each week. Any changes to an employee's time record must be approved by his/her supervisor. Questions regarding the timekeeping system or time cards should be directed to the appropriate person.

5.3 OVERTIME

Overtime is payable for all hours worked over 40 per week at a rate of one and one-half times the non-exempt employee's regular hourly rate. Paid time off (PTO) whether on personal time, vacation, holidays, or any leave of absence will not be considered hours worked when calculating overtime.

All overtime work performed by an hourly employee must receive the supervisor's prior authorization. Overtime worked without prior authorization from the supervisor may result in disciplinary action. The supervisor's signature on a timesheet authorizes pay for overtime hours worked.

5.4 PAYDAYS

All employees are paid biweekly on Friday. In the event that a regularly scheduled payday falls on a holiday, employees will receive pay on the next day of operation.

If a regular payday falls during an employee's vacation, the employee's pay check will be available upon his/her return from vacation.

Pay checks will not, under any circumstances, be given to any person other than the employee without written authorization. Pay checks may be mailed to the employee's address upon request.

5.5 COMPANY AND DEPARTMENT MEETINGS

On occasion, we may request that you attend a company-sponsored meeting. If you are a non-exempt employee, and attend a meeting held during your non-working hours, you will be paid for the time spent at the meeting.

SECTION 6

BENEFITS AND SERVICES

The Company offers a benefits program for its regular full-time employees. However, the existence of these programs does not signify that an employee will necessarily be employed for the required time necessary to qualify for the benefits included in and administered through these programs.

6.1 GROUP INSURANCE / SUBJECT TO NUMBER OF PARTICIPANTS

The Company offers the following health insurance programs for regular full-time employees (as determined by the carrier of the policies).

HEALTH INSURANCE

Coverage begins on the first day of the month following 60 days from hire date.

The employee's portion of the premium deduction for health insurance begins on the pay period prior to coverage start date. The amount of deduction is in four categories, employee only, employee and spouse, employee and child (children), and family coverage.

Open enrollment is once a year, usually near the beginning of the year. All employees will be notified prior to enrollment time.

This Manual does not contain the complete terms and/or conditions of any of the Company's current insurance benefit plans. It is intended only to provide general explanations. If there is ever any conflict between the Manual and any documents issued by one of the Company's insurance carriers, the carrier's guideline regulations will be regarded as authoritative.

6.2 CONTINUED MEDICAL COVERAGE

Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or leave of absence, divorce or legal separation and a dependent child no longer meeting eligibility requirements.

Under a continued medical coverage plan, the employee or beneficiary pays the full cost of coverage at the Company's group rates plus an administration fee. The Company provides each eligible employee with a written notice describing the agreement to continue coverage thru the Company's health insurance plan. The notice contains important information about the employee's rights and obligations.

6.3 SOCIAL SECURITY / MEDICARE

The Company withholds income tax from all employees' earnings and participates in FICA (Social Security) and Medicare withholding and matching programs as required by law.

6.4 PAID TIME OFF

Paid time off (PTO) is available to regular full-time following their 90 day introductory period with Chancy Drugs and is accrued (earned) based on the following calculations:

During the first to third (1-3) year of employment (hire date to anniversary date), the employee will accrue 40 hours of PTO per 12 months. During this time period, accrual is as follows:

90 days to 12 months at 2 hours per pay period. 13 to 36 months will accrue at 1.54 per pay period (40 hours).

During the third to fifth (3-5) years (37 to 60 months) of employment (anniversary date to anniversary date), PTO will accrue at the rate of 3.08 hours per pay period (80 hours).

During the fifth to seventh (5-7) years (61 to 84 months) of employment (anniversary date to anniversary date), PTO will accrue at the rate of 4 hours per pay period (104 hours).

During the seventh (7) and subsequent years (over 84 months) of employment (anniversary date to anniversary date), PTO will accrue at the rate of 4.616 hours per pay period (120 hours).

Earned PTO is only calculated on productive hours worked.

The paid time off policy applies to all regular full-time employees. It is accrued from hire date to anniversary date. Earned PTO must be approved before using.

A maximum of 40 hours PTO may be carried over from one year to the next. It is the responsibility of the employee to keep track of available PTO hours or they may lose accrued hours (above 40) on their anniversary date. Available Paid Time Off is listed on each payroll check. It is the employee's responsibility to verify it each pay period.

Paid Time Off will not be paid in lieu of vacation time except in cases approved by management.

6.5 RECORD KEEPING

The Human Resources Department maintains PTO accrued and used. Each employee is responsible for verifying his/her pay stub to make sure the correct amount of hours appear.

6.6 HOLIDAYS

Chancy Drugs observes the following paid (8 hours) holidays per year for all full time employees who have been employed at least 90 days, in the event the Holiday falls on a scheduled workday. In the event the holiday falls on the weekend, employees will be credited with 8 hours of PTO.

New Year's Day Independence Day Labor Day Thanksgiving Day Christmas Day

Employees may use their PTO if a decision is made by the Company to close for a full or partial day on Memorial Day, Christmas Eve, the day after Thanksgiving, or other special occasions.

6.7 JURY DUTY/MILITARY LEAVE

Employees will be granted time off to serve on jury duty. Employees will be paid the difference between the courts compensation and their regular pay for days served. Employees will be granted time off to serve on military leave without pay. However, all regular employees both full-time and part-time will be kept on the active payroll until their civic duties have been completed. A copy of the jury duty summons and all other associated paperwork are required for the personnel file.

6.8 FUNERAL LEAVE

After 90 days introductory period, in the event of the death of a family member, Chancy Drugs wants to reassure all of its full-time team members that they are entitled to take some time away from work in order to attend a funeral or to take care of any family or personal matters. Please discuss the situation with your supervisor before taking any time off for a funeral leave.

In situations involving the death of an immediate family member, all full-time team member is entitled to a paid funeral leave not to exceed three (3) consecutive working days. If the funeral is to take place more than 500 miles from where you work, you will be allowed to take up to five (5) consecutive working days of paid funeral leave.

In the event of the death of other family members, all full-time team members are entitled to a paid funeral leave of one (1) working day. If the funeral takes place more than 500 miles from where you work, you will be allowed to take up to three (3) consecutive days of paid funeral leave.

NOTE: **Immediate Family** – this includes a team member’s parents, spouse, domestic partner, children, brothers, sisters, grandparents, grandchildren, step-parents, step-children, step-brothers or step-sisters.

Other Family Members – this includes the team member’s current mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law, aunt, uncle, niece, nephew or cousin.

In some cases, your supervisor may require proof of attendance at the funeral and relationship to the associate.

6.9 TRAINING AND PROFESSIONAL DEVELOPMENT

The Company recognizes the value of professional development and personal growth for employees. Therefore, the Company encourages its employees who are interested in continuing education and job specific training to research these further and get approval before signing up for the seminars or courses.

6.10 EMPLOYEE DISCOUNT

After the 90 day introductory period, employees and their immediate family members are eligible to receive a 20% discount on all store OTC items, premium vitamins and compound scripts. Exceptions to this would be all items that would currently be “on sale” or being sold at a reduced or closeout price.

Cash price for retail prescriptions will be cost plus \$5.00 for scripts that cost us less than \$50.00. For scripts that cost us more than \$50.00 the cash price will be cost plus \$10.00. Employees who use insurance will be responsible for paying their co-pay.

Family members are defined as spouse and dependent children.

SECTION 7

EMPLOYEE COMMUNICATIONS

7.1 STAFF MEETINGS

Quarterly staff meetings will be held. These informative meetings allow employees to be informed on recent company activities, changes in the workplace and employee recognition.

7.2 PROCEDURE FOR HANDLING COMPLAINTS

Under normal working conditions, employees who have a job-related problem, question or complaint should first discuss it with their immediate supervisor. At this level, employees usually reach the simplest, quickest, and most satisfactory solution. If the employee and supervisor cannot solve the problem, the Company encourages employees to contact Gus Walters or Carin Coppage.

7.3 E-MAIL

The Company encourages you to use e-mail for non-emergency communications with co-workers. This form of communication allows employees to respond during slower times of the day and does not interrupt the work flow.

SECTION 8

PHARMACEUTICAL INDUSTRY BUSINESS STANDARDS

8.1 GOVERNMENT AGENCY INSPECTIONS

From time to time the Company may be visited by representatives of the federal, state and local governments for purposes of conducting inspections and gathering information. It is not unusual for these inspections to be unannounced.

When a government inspector arrives at the store, Team Members are to be courteous to the inspectors.

Chancy Drugs will be fully cooperative with the inspectors, within an inspector's area of responsibility. The company should have an identified individual who should be promptly contacted within an inspector arrives.

If an inspector approaches a Team Member, either on or off Company property, the Team Member should examine the inspector's credentials, making a record of the inspector's name, title, the name and address of the governmental agency to which the inspector is affiliated and the date and time of the inspection. This information should be promptly given to the approved Company representative.

The Company should be fully cooperative with all inspections; however no additional information should be given to the inspector except by the approved Company representative.

8.2 COMPETING WITH INTEGRITY

Chancy Drugs has worked diligently to create a reputation for quality, service, and honesty. The way Team Members deal with customers, suppliers, and even competitors continues to mold the Company's reputation and builds trust. It is imperative that Team Members maintain the trust of our customers and suppliers by conducting business fairly and ethically.



8.3 ANTITRUST LAWS

Chancy Drugs' activities are subject to antitrust and trade regulation statutes, which govern how Team Members interact with customer, suppliers, and competitors. Some of the most serious antitrust offenses involve agreements between competitors to fix prices, to limit product and service availability, and to allocate customers, territories, and markets. Any such agreement, whether formal or informal, may be unlawful and is prohibited by the Company.

Team Members should avoid involving themselves in situations from which unlawful agreements may be inferred. For that reason, contact with competitors should be kept to a minimum.

Failure to comply with antitrust laws could subject both the Company and Team Members involved to criminal fines and jail terms. In addition the Company may be subject to large civil penalties.

8.4 TRUTH IN PRESCRIPTION BILLING

Chancy Drugs is committed to accuracy in billing for its services to government health programs as well as to private third party payers. All Team Members who provide pharmacy service or prepare and submit claims for pharmacy services are expected to comply with all Federal health care program requirements, including the preparation and submission of accurate billings consistent with the requirements of Federal health care programs and with the Company's Policies and Procedures regarding those programs and private payers.

Team Members who fail to comply with Federal health care program requirements or with the Company's Policies and Procedures face the possibility of disciplinary action up to and including termination. They, as well as the Company, also face the possibility of civil and criminal fines and other punishment for health care fraud. Anyone convicted of health care fraud also faces the possibility of being placed on the federal exclusion list, which will make the ineligible to participate in any manner in federally funded health care program.

Team Members are also required to report any suspected violations of federal health care program requirements or of Company Policies and Procedures regarding those programs or billing to any third party payers. Team Members may report suspected violations to the Operations Manager. All reports will be maintained in confidence to the appropriate extent and no Team Member will receive retaliation for making the report.

Please read the following statements, sign below and return to your Supervisor.

AT-WILL EMPLOYMENT

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

CONFIDENTIAL/NON-DISCLOSURE INFORMATION

I am aware that during the course of my employment confidential information will be made available to me, for instance, product designs, marketing strategies, customer lists, pricing policies and other related information. I understand that this information is proprietary and critical to the success of Chancy Drugs and must not be given out or used outside of Chancy Drugs premises or with non-employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company.

Employee Printed Name

Position

Employee Signature

Date

Manager Signature



RECEIPT and ACKNOWLEDGEMENT of EMPLOYEE MANUAL

RECEIPT OF EMPLOYEE MANUAL

I have received a copy of the Chancy Drugs Employee Manual.

I understand that my failure to abide by the policies and regulations included in this Manual can result in corrective action against me, up to and including termination of my employment with Chancy Drugs.

REVIEW OF EMPLOYEE MANUAL

I have completed review of the Chancy Drugs Employee Manual and my signature below acknowledges that I have read and understand each section and agree to follow each procedure as outlined in the Manual.

Employee Printed Name

Employee Signature

Date

I further state that I have read the following policies in detail. My initials next to each standard below acknowledges my agreement to abide by each one.

Manager **Employee**

SECTION 3 - EMPLOYMENT POLICIES

3.1 Non-Discrimination

SECTION 4 - STANDARDS OF CONDUCT

4.1 Work Rules

4.2 Disciplinary Actions

4.3 Attendance/Punctuality

4.4 Harassment, including Sexual Harassment

4.7 Substance Abuse

Employee Signature

Manager Signature

Date



*Thank you for choosing us as Best Pharmacy,
Best Customer Service and Best Employer!!!*



MAKING A DIFFERENCE ONE PERSON AT A TIME

Adel Hahira Lake Park Valdosta Moultrie