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<p style="text-align: center;">SOUTHCOAST MEDICAL GROUP, L.L.C.</p> <p style="text-align: center;">EMPLOYEE HANDBOOK</p>
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INTRODUCTION TO SOUTHCOAST MEDICAL GROUP, LLC

Welcome

Welcome to SouthCoast Medical Group (or “SouthCoast”). We are a multi-specialty group medical practice for 60 providers throughout the greater Savannah area.

Our mission is to provide compassionate, quality and cost conscience healthcare to every patient.

The key to our success lies in giving patients excellent service in a professional environment. This mission can only be accomplished through employees that are committed to this goal.

We are glad that you have joined SouthCoast Medical Group and we look forward to working with you.

John Marrero
Administrator

IMPORTANT INFORMATION ABOUT YOUR EMPLOYMENT

* * * * *

This employee handbook is designed to acquaint you with SouthCoast and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read and understand all provisions of the handbook. It describes your responsibilities as an employee and outlines the programs developed by SouthCoast to benefit you.

This handbook is merely a guideline and does not constitute a contract of employment, nor does it change the employment-at-will policy permitting you or SouthCoast to end our relationship for any reason, at any time. No employee or SouthCoast representative, except for the Board of Managers, has the authority to bind SouthCoast to any employment contract with any employee, either verbally or in writing. Nothing in this handbook guarantees you any specific terms, conditions, or length of employment.

No employee handbook can anticipate every circumstance or question about policies. SouthCoast reserves the right, should the need arise, to revise, supplement, or rescind any policies or portions of the handbook from time to time, as it deems appropriate, in its sole and absolute discretion. However, no future revision or modification of this handbook will change the employment-at-will relationship. You will be notified of such changes to policies and the handbook from time to time.

Purpose of Handbook

This manual is intended for informational purposes and contains a general outline of SouthCoast's policies, practices, and procedures. Individual departments may have established departmental policies and procedures necessary for their specific operational needs. Please refer to your department's Policy and Procedure manual for a detailed listing of these departmental specific policies.

The purposes of this manual are:

- To provide management with the information necessary to fulfill its responsibilities to its employees;
- To provide for consistency and equity in the treatment of employees; and
- To provide employees with information regarding the policies and procedures that pertain to their employment.

It is expected that managers will become familiar with the contents of this manual so that they will be able to answer employee questions as they arise and apply the appropriate policies and procedures, as the occasion requires. Managers are also responsible for ensuring that the employees that work for them are informed of these policies and procedures, understand them and abide by them. Questions about application, interpretation, or clarification regarding any specific policies or procedures are to be directed to your supervisor or to the Director of Human Resources.

Employment Definitions

Full Time Employees: Employees who consistently work 32 hours or more per week on a year-round basis. Employees in this classification are entitled to company benefits. Benefit eligibility will be in accordance with provisions stated in the Plan.

Part Time Employees: Employees who consistently work less than 32 hours per week on a year-round basis. Employees in this classification are not entitled to company benefits.

Full Time Non-Exempt Employees: Non-exempt employees are employees whose positions are subject to the provisions of the Fair Labor Standards Act ("FLSA"). It is not permissible under the FLSA provisions for a non-exempt employee to work any hours for which they are not compensated. These employees will be paid overtime pay at a rate of time and one-half their regular rate for hours worked in excess of 40 per week.

Full Time Exempt Employees: Exempt employees are those exempt from the overtime provisions of the FLSA under one of the approved categories for executive, administrative, learned professions or computer professionals.

Transfers: Newly hired employees who have not successfully completed the ninety (90) day Initial Employment Period may not be considered for transfer. Employees who have received a written disciplinary action within the past three (3) months are not eligible for transfer. No employee may be considered for a transfer without advising his/her current supervisor of the desire to transfer. A successful internal candidate selected for a

position must provide a two (2) to four (4) week notice from date of selection. Both department managers must agree on the date of transfer. In the event an agreed upon date cannot be reached, HR will intervene with a decision.

Reinstatement: An employee who terminated employment and is re-employed within a six (6) month period will have their original hire date reinstated. Length of service credit will be given. This candidate will not have to resubmit to the prescreening process.

Rehire: An employee who terminated their employment and is rehired at any time after a six- (6) months break in service will have a new service date. No credit will be given for previous service. This candidate will be expected to successfully complete all background screenings.

EMPLOYMENT

Equal Employment Opportunity

Equal Employment Opportunity has been, and will continue to be, a fundamental principle at SouthCoast Medical Group, where employment is based upon personal capabilities and qualifications without discrimination because of sex (except where gender is a bona fide occupational requirement), race, color, religious creed, national origin, age, disability, status as a disabled veteran, veteran of the Vietnam Era, or any other protected characteristic established by law.

Equal Employment Opportunity and nondiscrimination will prevail throughout every aspect of the employment relationship, including but not limited to advertisement, recruitment, selection, placement, promotion, demotion, transfer, training, compensation, benefits, discipline, layoff, and termination.

The Human Resources Department has overall responsibility for this policy and will assure that SouthCoast's employment practices are in accordance with internal policy and state and federal laws. Employees' questions or concerns should be referred to the Human Resources Department.

Appropriate disciplinary action, up to and including termination, may be taken against any employee willfully violating this policy.

Americans with Disabilities Act (ADA)

It is SouthCoast's policy not to discriminate against qualified individuals with disabilities and to provide reasonable accommodation to qualified applicants or employees with disabilities in all employment practices. Employment opportunities will not be denied to an otherwise qualified applicant or employee because of the need to make reasonable accommodation to the physical or mental impairment(s) of such individuals.

When a qualified candidate with a disability applies for employment, transfer or promotion, he/she will be interviewed according to SouthCoast policy. If the candidate can perform the essential functions of the job with or without reasonable accommodations, the candidate will be given equal consideration for the job along with all other qualified candidates.

The procedures used by SouthCoast to ensure compliance with the ADA are not exclusive of other employment-related inquiries that SouthCoast, in its discretion, may make as permitted or required by local, state or federal law and in compliance with the Americans with Disabilities Act.

Employment-At-Will

Nothing contained in this policy handbook or in any other materials or information distributed by SouthCoast creates a contract of employment between an employee and SouthCoast Medical Group. Employment is on an at-will basis. Employees have the right to terminate their employment at any time for any reason, and SouthCoast retains the same right. No representative or employee of SouthCoast Medical Group, with the exception of the Board of Managers, has any authority to enter into any agreement to

the contrary, and then only if such commitment is a signed written document addressed to a specific individual.

Hiring Policy & Procedure

Due to the risks associated with working in a healthcare facility, SouthCoast Medical Group has a policy against hiring any individual less than 18 years of age for full-time positions. For those who will work on a temporary basis during the summer months, contingent workers ages 16 and 17 should present a work permit that can be provided by an educational institution and signed by a parent or legal guardian.

Previous employees who desire reemployment will receive consideration provided they left in good standing as determined by the Human Resource Department and a vacancy exists for which they are qualified.

Policy Regarding Hiring of Relatives

It shall be the policy of SouthCoast Medical to consider hiring relatives of employees on the basis of their qualifications and under conditions that promote a fair, harmonious, reputable and productive work environment. Job candidates who are relatives of current employees may not be hired for positions in which they would directly or indirectly report to that relative.

Relative/Family Member: Spouse, parent, step-parent or parent-in-law, brother, step-brother or brother-in-law, sister, step-sister or sister-in-law, child, stepchild, grandparent, grandchildren, first cousins and any other significant relation defined by senior management.

All job candidates shall be required to indicate whether they have relatives who are employed with SouthCoast Medical Group. If the applicant is a relative of an employee, the supervisor/office manager shall be responsible for evaluating any potential conflicts to this policy. The Administrator must approve conflicts or exceptions to this policy. When two employees become related by marriage, and as a result a direct or indirect reporting relationship is created, a reasonable effort will be made to transfer one of the employees. If accommodations of this nature are not feasible, the employees will be permitted to determine which of them will resign.

Outside Employment

SouthCoast employees may hold outside jobs as long as they can satisfactorily perform their SouthCoast job and there is no interference with our scheduling demands.

All employees will be held to the same standards of performance and scheduling expectations, regardless of any outside job. If we determine that outside work is impacting your performance or the ability to meet our requirements, which may change over time, you will be asked to terminate the outside job in order to stay employed at SouthCoast.

We prohibit outside employment that constitutes a conflict of interest. Further, you may not receive any income or material gain from individuals outside SouthCoast for materials produced or services rendered while performing your job. Questions about

this policy should be addressed with the Director of Human Resources or the Administrator.

Employment References

It is the policy of SouthCoast to validate dates of employment and job title only. Personal references are prohibited. All calls to verify current or past employment should be referred to the Human Resources Department.

Open Communications

At SouthCoast Medical Group we believe that communication is at the heart of good employee relations. Employees should share their concerns, seek information, provide input, and resolve work-related issues by discussing them with their supervisors until they are fully resolved. It may not be possible to achieve the results an employee wants, but the supervisor needs to attempt to explain in each case why a certain course of action is preferred. If an issue cannot be resolved at this level, the employee is welcome to discuss the issue with the Director of Operations and/or the Director of Human Resources. The supervisor should set up a time for both of them to meet with the Director(s).

If an employee has a concern about discrimination and/or harassment, SouthCoast has set up special procedures to report and address those issues. The proper reporting procedures are set forth in SouthCoast Medical Group's Harassment and Discrimination Prevention policy.

Personnel Files

In collecting, maintaining, and disclosing personnel information, SouthCoast Medical Group makes every effort to protect employees' privacy rights and interests and prevent inappropriate or unnecessary disclosures of information from any worker's file or record. While complying with its governmental reporting and recordkeeping requirements, SouthCoast strives to ensure that it handles all personal and job-related information about employees in a secure, confidential, and appropriate fashion.

SouthCoast collects and retains only such personal information as it needs to effectively conduct business and administer its employment and benefit programs. Wherever possible, SouthCoast notifies affected employees if it needs additional personal information and gives these employees an opportunity to supply the requested data. To ensure that personnel files are up-to-date and contain accurate, complete information, employees are asked to notify their supervisor or the Human Resource department of any changes such as address, telephone number (emergency #'s also), marital status, number of dependents, etc. Further, all employees should inform SouthCoast of any additional certification or training the employees receive, whether issued by SouthCoast or some other entity.

All paper-based documents relating to the personnel record system are kept in secure, locked files in the Human Resource department. These files are accessible only to authorized Human Resource department staffers and executives, managers, and supervisors who have a valid, demonstrable need to obtain specific information from an employee's personnel file. When information from an employee's personnel file is to be released or disclosed within the organization, SouthCoast will notify the employee of

such a disclosure if the Human Resource department views the disclosure as possibly intruding on the employee's privacy. However, routine or ordinary employment procedures, including, but not limited to, performance appraisals, merit increase reviews, promotion and transfer consideration, and disciplinary investigations, normally are not subject to this notification procedure.

Review of Personnel Files

Employees also are granted access to their personnel files; however, no materials are to be removed from the file by the employee except as specifically authorized by Management. SouthCoast reserves the right to remove certain sensitive documents, including letters of reference and management planning documents such as succession or promotion plans before granting review of the file. To prevent abuses of this access privilege, SouthCoast also reserves the right to limit the number of times an employee can access his or her file during a 12-month period. Employees who are interested in reviewing the contents of their personnel file should contact the Human Resource Department and provide at least two days' notice of their desire to schedule a mutually convenient time for an appointment. Personnel files are property of SouthCoast Medical Group and will remain at SouthCoast as part of the permanent records.

The Human Resource Department makes copies of specific information requested in writing to those individuals or agencies, only as specifically authorized by the SouthCoast management, who have a demonstrable need to review it. SouthCoast Medical Group ordinarily honors subpoenas demanding production of information with respect to any employee, but usually advises an employee of the subpoena and nature of the information requested, unless otherwise prohibited by law.

Medical Information

All medical information relating to an employee is kept in the separate Medical Records System files maintained by the Human Resource Department. Access to these medical files is tightly controlled. Ordinarily, medical information about an employee is supplied only to the worker's designated physician in accordance with the worker's written specific request, unless it is workers' compensation records, which are supplied to the contracted carrier and physician.

Employment Background Checks

SouthCoast Medical Group has established the following guidelines to provide consistency in the selection process, according to applicable federal and state laws. We believe that hiring qualified individuals to fill positions contributes to the overall strategic success of SouthCoast Medical Group. Background checks are an important part of the selection process. This type of information is collected as a means of promoting a safe work environment for current and future employees. Background checks also help obtain additional applicant related information that helps determine the applicant's overall employability, ensuring the protection of current people, property and information of the organization.

Human Resources will have the responsibility of obtaining all background check information and will ensure that information collected is in compliance with federal and state laws. SouthCoast Medical Group will use a third party agency to conduct some

background checks. In conducting its background checks, SouthCoast will comply with all requirements of the Fair Credit Reporting Act (“FCRA”) and applicable state laws.

Office of Inspector General For Excluded Personnel (All Medical Staff)

Any applicant listed on this website will not be considered a candidate for employment.

Georgia Board of Nursing For RN/LPN License Verification

Failure to obtain proof of a valid Georgia state RN/LPN license will result in failure to successfully complete the employment background check process. A contingent job offer for an RN/LPN position or other job requiring such license will be rescinded by Human Resources if a valid license has not been provided.

Only appropriate human resource personnel will have access to this information.

Immigration Law Compliance

It is Company policy, as mandated by the Immigration Reform and Control Act of 1986, as amended, that all new employees show proof of identity and eligibility for employment and can be terminated for falsification or failing to provide the necessary documents within three business days of employment.

COMPENSATION

Timekeeping

All employees are required to clock in when beginning their scheduled workday and clock out when leaving the premises.

Employees are instructed not to clock in prior to their scheduled start time or clock out after their scheduled shift is completed without prior approval for overtime. Employees should not remain on SouthCoast premises unless she/he is on duty or scheduled to work.

An employee who consistently clocks in past their scheduled start time will be considered tardy. A pattern of tardiness will be disciplined according to policy. Failure to follow this procedure may result in disciplinary action up to and including termination.

Time Verification

All employees are encouraged to carefully review their time sheet and/or paycheck to ensure that she/he has been paid for all hours worked. If the paycheck or time sheet does not accurately reflect working time, inform the Payroll Department immediately.

Payroll

It is the policy of SouthCoast Medical Group to establish the guidelines necessary to prepare, process, and distribute pay in an efficient and timely manner. SouthCoast will process payroll according to all pertinent federal/state laws.

SouthCoast Medical processes payroll for all employees on a biweekly cycle. This cycle starts on Monday and ends two weeks later on Sunday. All checks will be distributed to the Office Managers at each location and made available to all employees after 9:00 A.M. on the Friday following the end of the pay cycle. If the payday falls on a company holiday, the payday will occur on the day prior to the holiday.

SouthCoast has the ability to automatically deposit the employee's paycheck into his/her bank account. Please note Direct Deposit may take one additional day to process into an account. Employees who have authorized direct deposit will receive a pay stub from the Payroll Department for each transaction. If direct deposit is desired, the employee must sign a Direct Deposit Authorization (Form #HR106) and provide it to the Payroll Department.

SouthCoast will comply with all federal and state laws pertaining to garnishments.

Overtime

There may be times when SouthCoast cannot meet its requirements or other needs during regular working hours. If this happens, we may schedule employees to work overtime hours. When possible, we will try to let you know in advance of a mandatory overtime assignment.

It is our policy that no overtime can be worked without the approval and authorization of the supervisor. We try to distribute overtime assignments fairly among all employees who are qualified to perform the required work.

All nonexempt employees will be paid overtime compensation in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. For this reason, time off for sick leave, vacation, and other paid or unpaid leaves of absence is not considered hours worked for the purpose of calculating overtime pay.

If you work overtime without receiving your supervisor's prior authorization, you may be subject to disciplinary action, up to and including possible termination of employment.

BENEFITS

FMLA

The Family Medical Leave Act ("FMLA") allows eligible employees up to twelve (12) weeks of unpaid leave in a 12-month period upon the occurrence of a qualifying event. Employees returning from leave are guaranteed reinstatement to their prior position or an equivalent position.

Twelve-Month Period: A rolling twelve (12) month period measured backward from the date employee uses any FMLA leave.

Eligibility: SouthCoast employees are eligible for FMLA leave if they:

- Have worked for SouthCoast for at least twelve (12) months (the months need not be consecutive);
- And have worked at least one thousand two hundred and fifty (1,250) hours in the twelve (12) months immediately preceding the date of qualified leave;
- And are taking the leave for a qualifying reason.

Upon completion of the twelve (12) week FMLA leave, you will be restored to your same or an equivalent position. After twelve (12) weeks, the FMLA provision regarding job restoration does not apply. SouthCoast Medical Group does not guarantee job restoration beyond that which is required by the FMLA.

Key Employees: SouthCoast may deny equivalent restoration to key employees who are salaried and are among the highest paid 10% of the employees within seventy-five (75) miles of the facility.

Qualifying Reasons for Leave: You may take FMLA leave for any of the following reasons:

- To care for your child after birth or upon placement of a child with you for adoption or foster care;
- To care for your spouse, son, daughter, or parent (see "Covered Relation" section) with a serious health condition;
- Due to your own serious health condition which renders you unable to perform the functions of your position; or
- Because of any qualifying exigency (as the Secretary of Labor shall, by regulation determine) arising out of the fact that the spouse, or a son, daughter, or parent of the employee is on active duty (or has been notified of an impending call to order to active duty) in the Armed Forces in support of a contingency operation.

Covered Relation:

Son or Daughter: Biological, adopted, foster or stepchild (or legal ward) who is under eighteen (18) years old. Children who are incapable of self-care because of physical or mental disability are also included.

Parent: Biological parent or person who stood in the position of parent when you were a child, but does not include your parents-in-law.

Covered Service Member: A member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary disability retired list, for a serious injury or illness.

Service Member Family Leave: An eligible employee who is the spouse, son, daughter, parent, or next of kin (nearest blood relative) of a covered service member shall be entitled to a total of 26 workweeks of leave during a 12 month period to care for the service member.

Time Restraints: Leave to care for a newborn son or daughter or due to the placement with you of a foster or adopted son or daughter must conclude within twelve (12) months of the birth or placement. A husband and wife who both work for SouthCoast may both request leaves because of the birth or adoption of a child, initial placement of a foster child or to care for a child with a serious health condition. Their combined leave may not exceed twelve (12) weeks during any twelve (12) month period. Spouses taking Service Member Leave may not take a combined leave which exceeds 26 weeks.

When leave is taken to care for a covered service member, spouse, son, daughter, parent, or your own serious health condition, the leave may be taken intermittently or on a reduced schedule, when medically necessary. If the employee requests intermittent or reduced-leave status, the employer may temporarily transfer the employee to another position of equivalent pay and benefits to better accommodate the leave. The transferred employee will receive the same pay and benefits and work under the same conditions as if they had not been transferred. This transfer may not take place unless authorized by the Human Resources Department.

Leave is Unpaid: FMLA leave is an unpaid leave. However, in the event that you have any accrued paid time off, SouthCoast will require you to use any accrued paid time off during this leave. The use of paid leave time for unpaid leave time will not extend the twelve- (12) week leave period.

Notice of Leave: If your need for FMLA leave is foreseeable, you must give SouthCoast at least thirty (30) days prior written notice. If your need for FMLA leave is unforeseeable, you must give SouthCoast notice as soon as possible, generally within two (2) business days after the need for leave becomes known to you. Failure to give the required notice may result in the delay of your leave or may disqualify the leave under the FMLA.

The Human Resources Department will provide you with written notice of the determination of your eligibility for FMLA.

Certification: If you request leave because of your own or a covered relation's serious health condition, you and the relevant health care provider must supply appropriate medical certification to SouthCoast. You may obtain Medical Certification forms from the Human Resources Department. Generally, any required medical certification must be provided to SouthCoast before your leave begins, unless it is impractical to do so, in which case medical certification must be provided as soon as possible. Failure to provide medical certification in a timely manner may result in the denial or delay of leave.

SouthCoast, at its own expense, may require an examination by a second health care provider designated by SouthCoast. If the second health provider's opinion conflicts with the original medical certification, SouthCoast, at its own expense, may require a third, mutually agreeable, health care provider to conduct an examination and issue a final and binding opinion.

If leave is for the birth or care of a covered relation, SouthCoast may require you to provide reasonable documentation or a statement of the family relationship. Failure to provide the requested documentation in a timely manner may result in the delay of your leave.

Employees Responsibility While on Leave: If you take FMLA leave for any reason, you must report to the Human Resources Department or your supervisor, at least monthly, on your status and intent to return to work. If the circumstances precipitating the need for FMLA leave change while you are on leave, and such changes are foreseeable, you must promptly (within two (2) business days) notify SouthCoast of those changes.

When the leave is due to your own serious health condition, unless otherwise required by law, SouthCoast will require you to provide, at your own expense, a certificate of fitness to return to work.

Medical Benefits: During an approved FMLA leave, SouthCoast will maintain your company sponsored health benefits, as if you continued to be actively employed. If paid leave is substituted for unpaid FMLA leave, SouthCoast will deduct your portion of the health plan premium as a regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium to the Human Resources Department on or before the 26th day of the month prior to the month the premium will cover. Failure to pay your portion of the premium in a timely manner may result in termination of coverage.

If you do not return to work at the end of the leave period, and SouthCoast paid premiums to maintain your group health benefits during your unpaid leave, you will be responsible for reimbursing the total cost of the paid premium(s) to SouthCoast.

Other Benefits: You will be asked to make a written election concerning contributory benefits during your unpaid leave. If you choose to continue benefits, which require an employee contribution, you may be asked to prepay any required premiums within thirty-(30) days of the date the payment would normally be due.

Employees who qualify for FMLA do not suffer a loss of service time as a result of the leave. During the unpaid portion of FMLA, vacation time will not accrue, nor will there be pay for holidays, jury duty, or bereavement leave.

Other Rights and Obligations: Employees' rights and obligations under the FMLA are posted in the workplace. If you have any questions, please contact the Human Resources Department.

SouthCoast will not interfere with, restrain or deny the exercise of any right provided under the Family Medical Leave Act. Also, SouthCoast will not discharge or discriminate against any person for opposing any practice or because of involvement in any proceeding related to FMLA.

Paid Vacation Policy

The SouthCoast Medical Group's Paid Vacation plan provides for the accrual of a specified amount of time each year that an employee may be absent from his/her job and still receive his/her regular rate of pay. An employee's paid vacation may be used for vacation, personal business or emergencies, illness of a family member, and any other event or activity, which requires the employee to be absent from the job. This does not include bereavement leave, jury duty, or holiday pay. Requests for the use of Paid Vacation will be approved consistent with the operational needs of the group.

Eligibility: All full-time employees who have completed twelve (12) consecutive months of service are eligible for Paid Vacation.

Rate of Pay: Vacation is paid at the employee's regular rate of pay.

Policy - Year One: It is the policy of SouthCoast Medical Group that all new employees complete twelve- (12) months of consecutive service prior to being awarded Paid Vacation. On the first anniversary of the employee's hire date, the employee will be awarded five (5) days of Paid Vacation. The five (5) days awarded must be used in year two (2) or forfeited. This means an employee has one year from the date vacation was earned to use that vacation time.

Policy - After Year One: Paid Vacation is accrued each pay period. The maximum accrual is calculated on all hours paid, excluding overtime hours, and based upon the employee's length of service. Accrued vacation hours must be used in the following year or forfeited. This means an employee has one year from their anniversary date to use vacation time that has accrued. The hourly accrual schedule is shown below along with the annual hours and days accumulated by a full-time employee:

Year	Accumulated Hours of Service After First Anniversary	Hourly PTO Accrual Factor	Maximum full-time PTO Hours Annually	Full-time PTO Days Annually
1 through 5	2081-10,400	.03846	80	10
5 yrs 1 hr through 10	10,401-20,800	.05769	120	15
10 yrs 1 hr and above	20,801 and above	.07692	160	20

Utilization: All Paid Vacation must be accrued prior to being used and cannot be advanced.

All earned, unused Paid Vacation will be paid out when a leave of absence is granted (see FMLA and Unpaid Personal Leave of Absence policies).

If a holiday falls during scheduled vacation, the employee is entitled to an additional vacation day off. This may be taken to extend the vacation or as a separate day off depending on the needs of the group.

The use of all Paid Vacation, except for personal emergencies, must be approved in advance by the employee's supervisor/office manager. As a general rule, a written request for Paid Vacation should be initiated no less than two (2) weeks prior to the date requested. Except for personal emergencies, all Paid Vacation requests will be considered based upon the needs of the group, the employee's current job performance, absenteeism pattern, and length of service with the group. The employee's supervisor/office manager may schedule Paid Vacation for employees during times of low patient volume, and/or light workload.

Employees are responsible for requesting and reporting their Paid Vacation, in writing, on the Request for Time off Form (Form #HR109). Refer to the Reporting of Absence section at the end of this policy.

Accumulation: Paid Vacation hours may be accumulated following the completion of twelve- (12) months of service. The maximum accumulation allowed will be based upon the employee's length of service category as stated above.

Transfers

Full Time to Part Time: When a full time employee is transferred to a part time position within SouthCoast, the employee may use the earned vacation hours, but will cease to accrue vacation time from the transfer date forward.

Part Time to Full Time: When an employee has worked part time for at least twelve- (12) months of service and is transferred to a full time position within SouthCoast, the employee will begin accruing vacation according to the table above. In this case, the requirement to work full time for twelve-months will be waived. When an employee has worked part time for less than twelve-(12) months, upon completing his/her twelve- (12) months, the employee will begin accruing vacation according to the table above. The employee will not be awarded five (5) days of vacation on the 1st anniversary date.

Reinstatement: An employee who terminated employment and is re-employed within a six (6) month period will have their original hire date reinstated. Length of service credit will be given for calculating paid vacation. Forfeited, unused vacation will not be reinstated.

Cash Conversion Option: Cash conversion will be on a case-by-case basis as determined by the Administrator. If patient volume and workload is such that vacation cannot be taken, this may result in a cash conversion.

Unused Leave: Upon notification of termination of employment, neither vacation nor sick leave will be approved and all unused vacation and sick leave will be forfeited.

Note: All employees transitioned from MGM at 1/1/00, have been given length of service credit in regards to Paid Vacation.

Paid Sick Time Off (PSTO)

SouthCoast Medical’s Paid Sick Time Off (PSTO) plan provides for a specified amount of time that an employee may be absent from his/her job due to illness or injury each year and still receive his/her regular rate of pay. PSTO is available for absences from scheduled work due to the illness or injury of an employee or a dependent child’s illness or injury. Employees who exceed the number of allowed sick hours per year and are not on an approved Family Medical Leave or Personal Leave of Absence will be subject to disciplinary action in accordance with the Progressive Discipline Policy.

Eligibility: All full-time employees who have successfully completed their ninety- (90) day initial employment period are eligible for PSTO.

Rate of Pay: Sick Time is paid at one (1) times the regular hourly rate.

Policy-Date of Hire to End of Year: Upon successful completion of the ninety- (90) day initial employment period, the employee will be awarded a maximum of thirty-two (32) hours of paid sick time to be used during year. This will be prorated on a calendar year basis as shown below.

<u>Month Hired In Current Year:</u>	<u>PSTO Hours for Current Calendar Year:</u>	<u>PSTO Hours for Next Calendar Year:</u>
January	32	48
February	29.25	48
March	26.75	48
April	24	48
May	21.25	48
June	18.75	48
July	16	48
August	13.25	48
September	10.75	48
October	0 until completion of 90 days	32 awarded in Jan
November	0 until completion of 90 days	32 awarded in Feb
December	0 until completion of 90 days	32 awarded in Mar

At the end of the calendar year any unused PSTO may not be carried over to the following calendar year but will be paid out to the employee at the rate of fifty percent of the balance of Paid Sick Time. This will be paid at the employee’s rate of pay as of December 31st and will be subject to any applicable payroll taxes. Unused PSTO is not payable upon separation from SouthCoast Medical Group.

Policy - 1st Day of Next Calendar Year: On the first day of the next calendar year and each year thereafter, employees who were hired in January to September of the previous year will receive 48 hours of PSTO. Any unused PSTO from the prior year will

be reduced to zero. Employees hired in October, November, December, of the previous year, upon completion of the ninety- (90) day Initial Employment Period will receive a prorated portion of PSTO as outlined above.

Utilization: 1) To receive PSTO for an illness of greater than two days, employee must provide a physician's note. 2) Employees are responsible for reporting their sick time on the Request for Time Off Form (Form #HR109). Refer to the Reporting of Absences section below.

Accumulation: PSTO is not an accumulated benefit.

Transfers

Full Time to Part Time: When a full time employee is transferred to a part time position within SouthCoast, the employee will forfeit any unused PSTO.

Part Time to Full Time: When an employee has worked part time for at least ninety- (90) days and is transferred to a full time position within SouthCoast, the employee will be awarded sick time according to the table above, using the date of the transfer as the "month hired". When an employee has worked part time for less than ninety- (90) days and transfers to full time upon completing his/her initial employment period the employee will begin awarded sick pay according to the table within this policy.

Reinstatement: An employee who terminated employment and is re-employed within a six (6) month period will have their original hire date reinstated. Length of service credit will be given for paid sick time off based upon the accumulation for the original hire date.

Cash Conversion Option: At the end of the calendar year any unused PSTO may not be carried over to the following calendar year but will be paid out to the current employee at the rate of fifty percent of the balance of Paid Sick Time. This will be paid at the employee's current rate of pay and will be subject to any applicable payroll taxes. Unused PSTO is not payable upon separation from SouthCoast Medical Group.

Holidays

SouthCoast recognizes the following holidays for pay:

- New Years Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

If a physician elects to close his or her practice any day other than the above listing, the physicians and his/her employees may elect to take the additional days without pay or may elect to use vacation time. A Request for Time Off Form (Form # HR109) must be completed in order to receive paid vacation time.

Eligibility: Upon successful completion of the 90-day Initial Employment Period, all full-time employees are eligible for Holiday Pay. An employee on an extended Initial

Employment Period will not be eligible for payment of the holiday. Employees must work their scheduled day before and after the holiday in order to be eligible to receive holiday pay. A holiday that occurs during a vacation is an exception to this requirement.

Rate of Pay: Holiday Pay is paid at one (1) times the employee's regular hourly rate.

Jury Duty

SouthCoast recognizes the importance of an employee's civic duty to serve on a jury. Upon receiving a summons for jury duty, the employee must notify his/her supervisor immediately.

Eligibility: All full-time employees who have successfully completed their ninety- (90) day Initial Employment Period are eligible for Jury Duty Pay.

Rate of Pay: Jury Duty is paid at one (1) times the employee's regular hourly rate.

Procedure: A copy of the summons for jury duty must be provided to the supervisor. Upon receipt of verification of jury service from the courts, SouthCoast Medical Group will pay an employee his/her daily regular earnings for a maximum period of three (3) days. A Request for Time Off Form (Form # HR109), with the verification from the courts attached, must be completed in order to receive Jury Duty Pay. If court verification is not received, the employee will not be paid for jury duty.

If an employee is required to serve longer than three (3) days, the employee may choose to use his/her paid vacation or to go unpaid. For extended jury duty, refer to Unpaid Personal Leave Policy.

When an employee serves one-half (1/2) day or less of jury duty, the employee must return to work on that day. When completion of jury duty is 2:00 PM or later, SouthCoast will consider jury duty served as a full day.

It is the responsibility of the employee to keep the supervisor advised daily of his/her jury duty schedule and availability to work regularly scheduled hours.

Witness Duty

When an employee is required to appear as a witness in a lawsuit on behalf of SouthCoast as it relates to the employee's performance on the job, time off *with pay* will be granted.

When an employee is required to attend a judicial proceeding in response to a subpoena or other court order (other than a jury summons) not involving SouthCoast, *unpaid* time off will be granted. The employee may use Paid Vacation as available.

Refer to the Reporting of Absence section below.

Voting Leave

SouthCoast will grant a maximum of two (2) hours paid leave time to any employee scheduled to work on a day of a local, state, or federal election in which the employee desires to vote.

Eligibility: An employee will not be entitled to voting leave if the employee's scheduled shift begins at least two (2) hours later than, or ends at least two (2) hours earlier than the poll closes.

Notice: All employees are expected to provide, where possible, two (2) days advance notice of his or her intent to take leave to vote.

Bereavement

SouthCoast recognizes that death in the immediate family necessitates absence, by the employee, from scheduled work hours.

Eligibility: All employees who have successfully completed the ninety- (90) day initial employment period are eligible. See below for full time or part time employee benefits.

Rate of Pay: Bereavement is paid at one (1) times the employee's regular hourly rate.

Full Time Employees: In the event of death of a Family Member, full time employees, (who consistently work 32 hours or more per week) will be granted up to three (3) days absence from scheduled duty with pay. In the event of death of Other Relative, full time employees will be granted one (1) day of absence from scheduled duty with pay. In the event that travel is required further than 200 miles one way to attend the service, the employee may be granted two (2) additional days without pay for travel.

Part Time Employees: In the event of death of a Family Member, part time employees (who consistently work less than 32 hours per week) may be excused from work for up to three (3) days without pay. In the event of death of Other Relative, Part Time employees will be granted one (1) day of absence from scheduled duty without pay.

Definition of Family Member: For this purpose, immediate family includes husband, wife, parent or stepparent, brother or stepbrother, sister or stepsister, child or stepchild.

Death of Other Relative: For this purpose, "other relatives" includes grandparent or step grandparent, grandchild or step grandchild, parent-in-law, brother-in-law, or sister-in-law.

Reporting Bereavement to Payroll: The Supervisor will report bereavement to payroll, attaching the employee's Request for Time Off Form (Form HR#109). Refer to the Reporting of Absence section below.

Reporting of Absences Procedure

All of the above are considered absences or time away from work. All absences will be requested/reported on a Request for Time Off Form (Form #HR109) and given to the supervisor to be turned in with payroll.

Scheduled Absence with Notice - Vacation, Jury Duty, Bereavement: As a general rule, all requests for scheduled absences should be made, in writing, with as much notice as possible, and with the exception of bereavement should be requested no less than two (2) weeks prior to the date requested. Vacation requests will be considered based upon the needs of SouthCoast and the employee's current job performance, absenteeism pattern, and length of service with the group. Jury duty will be granted based on a copy of the jury summons. Employee must complete a Request for Time Off Form (Form HR#109), and obtain supervisor's approval prior to absence.

Unscheduled Absence - Sick: All employees will notify their supervisor of their impending absence, at least two hours in advance of their scheduled start time. Leaving voice mail messages, telling a coworker, having a spouse, parent or friend call in, does not qualify as notification to the supervisor. An employee must notify the supervisor each day, he/she will be absent from work. If an employee fails to notify their supervisor, the employee will be subject to disciplinary action in accordance with the Progressive Discipline Policy. When notification is not possible due to an emergency, the supervisor will request validation of emergency.

Personal Leave

SouthCoast Medical Group will grant Unpaid Personal Leave to accommodate personal needs that can only be satisfied through a temporary absence from work. Full Time and Part Time Employees are eligible once the employee has successfully completed the ninety- (90) day Initial Employment Period.

A Personal Leave of Absence may be granted for reasons such as family illness, employee illness or surgery, involvement in legal matters, settling family estates, household disasters, family crises, extended jury duty, extended bereavement, etc. to employees who have successfully completed the ninety (90) day Initial Employment Period but are not eligible for Family Medical Leave Act (FMLA).

Unpaid Personal Leave of Absence may not be used for purposes of seeking or engaging in other employment.

Requests for Unpaid Personal Leave of Absence will be considered on an individual basis; taking into consideration the reason for the request, the urgency of the request, the ability of the department/practice to provide coverage for the absence, and the employee's length of service and work record. Military leave of absence will be granted in accordance with federal/state regulations. SouthCoast reserves the right to deny any or all requests for Unpaid Personal Leave of Absence based upon the needs of the business.

*Unpaid Personal Leave of Absence will be granted once in a rolling twelve (12) month period measured backward from the date employee uses any unpaid leave with a maximum of 30 days.

Leave is unpaid: Personal Leave of Absence is an unpaid leave. However, in the event that you have any accrued paid time off, SouthCoast will require the employee to use any accrued paid time off during this leave. The use of accrued paid time off for unpaid leave time will not extend the thirty (30) day leave period.

Other Benefits: The employee will be asked to make a written election concerning contributory benefits during an unpaid leave. If employee chooses to continue benefits, which require an employee contribution, he/she may be asked to prepay any required premiums within thirty (30) days of the date the payment would normally be due.

Employees granted a Personal Leave of Absence do not suffer a loss of service time as a result of the leave. During the unpaid portion of a Personal Leave of Absence, vacation time will not accrue, and there will be no pay for holidays, jury duty, or bereavement leave.

Employee's Written Request for Leave: The request for a Personal Leave of Absence must be submitted in writing and must be approved by the employee's supervisor and is subject to final approval by the Human Resources Department. The request must state the reason for the leave, the commencement date and expected date of return. A minimum of thirty (30) days of advance written notice of intent to take Unpaid Personal Leave of Absence shall be presented to the supervisor when possible.

Return From Unpaid Personal Leave: Management will make an effort to provide an opportunity for the employee to return to the same position or one of like status and pay, assuming that the employee returns to work on or before the specified date of expiration of the leave, that such a position is available, and that the employee is qualified. There is no guarantee of job restoration unless on Military Leave or FMLA leave. Failure to return from personal leave of absence on the specified date will be considered a voluntary resignation.

Medical Benefits: During an approved Personal Leave of Absence, SouthCoast will maintain the employee's company sponsored health/dental benefits, as if the employee continued to be actively employed. If paid leave is substituted for an unpaid personal leave of absence, SouthCoast will deduct the employee's portion of the health/dental plan premium as a regular payroll deduction. If the employee's leave is unpaid, the employee must pay his/her portion of the premium to the Human Resource Department on or before the 26th day of the month prior to the month the premium will cover. The employee's failure to pay his/her portion of the premium in a timely manner may result in termination of coverage.

If an employee does not return to work at the end of the leave period, and SouthCoast paid premiums to maintain his/her group health/dental benefits during the unpaid leave, the employee will be responsible for reimbursing the total cost of the paid premium(s) to SouthCoast.

Military Leave

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

Leave is Unpaid: The leave will be unpaid. However, employees may use any available paid time off for the absence.

Medical Benefits: Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

Other Benefits: Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon the employee's return to active employment.

Returning From Military Leave: Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Travel Expense Reimbursement

Approved use of personal vehicles for SouthCoast Medical Group business will be reimbursed on a per mile basis. The rate will be determined and reviewed annually. All travel mileage must be logged in on a mileage log sheet in order to get reimbursed. Mileage is only reimbursed from work location to work location, not on a commute from home to work.

Termination of Benefits

Health Insurance: Health insurance terminates on the day in which the employee terminates. Information for Consolidated Omnibus Budget Reconciliation Act (COBRA) continued health coverage will be provided.

Ancillary Insurance: Short and long term disability insurance and life insurance will terminate on the day in which the employee terminates.

Human Resources is responsible for terminating all insurance and notifying the employee of his/her conversion rights.

EMPLOYEE SAFETY AND HEALTH

Substance Abuse Policy Statement

SouthCoast Medical Group is committed to providing a safe work environment and to fostering the well-being and health of its employees. That commitment is jeopardized when any SouthCoast Medical Group employee illegally uses drugs on or off the job, comes to work under their influence, possesses, distributes or sells drugs in the workplace, or abuses alcohol on the job. Therefore, SouthCoast Medical Group has established the following policy:

1. It is a violation of company policy for any employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job.
2. It is a violation of company policy for any employee to report to work under the influence of or while possessing in his or her body, blood, or urine illegal drugs in any detectable amount.
3. It is a violation of company policy for any employee to report to work under the influence of or impaired by alcohol.
4. It is a violation of SouthCoast policy for any employee to use prescription drugs illegally, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. (However, nothing in this policy precludes the appropriate use of legally prescribed medications.)
5. Violations of this policy are subject to disciplinary action up to and including termination.

Smoke Free Workplace

It shall be the policy of SouthCoast Medical Group to be a "Smoke Free" Workplace. As leaders in the healthcare community, it is our responsibility to set the example for our patients and the community that we serve. The use of all tobacco products of any kind is strictly prohibited.

Smoking will not be permitted on SouthCoast Medical Group grounds, including buildings, parking lots, or employee break areas. This policy applies to physicians, mid level providers, administration, management, hourly staff, vendors, and patients.

SouthCoast will identify our smoking staff population and will provide education and assistance to "kick the habit". While attendance for these programs will be on a voluntary basis, not attending, on the part of the smoking employee, will not change or void this policy.

Violation of this policy will result in progressive discipline up to and including termination.

Workers' Compensation

Employees are required to immediately report all on-the-job injuries/illnesses requiring medical attention to his or her supervisor. Employees suffering work-related injuries will receive compensation and medical benefits in accordance with the Georgia Workers'

Compensation Act. Employees are required to cooperate with SouthCoast, and any other treating healthcare professional in connection with a claim for workers' compensation and treatment of any work-related injury.

SouthCoast will not tolerate any form of retaliation against an employee based solely on the fact that he/she has submitted a claim for or is receiving benefits under Georgia's Workers' Compensation Act.

Employee Assistance Program

SouthCoast Medical Group provides confidential and voluntary assistance to all employees who may be faced with dynamic challenges of financial concerns, legal issues, alcohol or drug problems, marital problems, illness of a family member, emotional worries, child care problems, etc. There is an Employee Assistance Program (EAP) brochure provided to employees or you can request one from Human Resources. The counselors of an EAP, after evaluation and discussion by phone or in person, may suggest a referral to an outside resource that would be appropriate to assist in resolving the problem or situation. Employees who need to visit the EAP during regular work hours must use sick or vacation time.

When an employee's job performance or attendance is unsatisfactory or there appears to be signs of other problems during the work day, the supervisor may counsel the employee in consultation with the Director of Human Resources or designee with an end toward resolving the situation. If the employee appears to be unable or unwilling to correct the situation, he/she may be referred to the EAP to assist in the resolution of the problem. Depending on the situation, if offered, an employee may accept or refuse participation in the EAP. However, there may be situations where continued employment at SouthCoast may be contingent upon the employee utilizing the EAP for assistance, such as when an employee tests positive for drug use.

Safety Issues For Cellular Phone Use

Employees whose job responsibilities include regular or occasional driving and who are issued a cell phone for business use are expected to refrain from using their phone while driving. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, employees are strongly encouraged to pull off to the side of the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is unavoidable and pulling over is not an option, employees are expected to keep the call short, use hands-free options if available, refrain from discussion of complicated or emotional discussions and keep their eyes on the road. Special care should be taken in situations where there is traffic, inclement weather or the employee is driving in an unfamiliar area.

In situations where job responsibilities include regular driving and accepting of business calls, hands-free equipment will be provided to facilitate the provisions of this policy.

Employees whose job responsibilities do not specifically include driving as an essential function, but who are issued a cell phone for business use, are also expected to abide by the provisions above. Under no circumstances are employees allowed to place themselves at risk to fulfill business needs.

Employees who are charged with traffic violations resulting from the use of their phone while driving will be solely responsible for all liabilities that result from such actions.

Violations of this policy will be subject to disciplinary action, up to and including termination.

Special Responsibilities For Managerial Staff: As with any policy, management staff is expected to serve as role models for proper compliance with the provisions above and are encouraged to regularly remind employees of their responsibilities in complying with this policy.

STANDARDS OF CONDUCT

It is the policy of SouthCoast Medical Group that all individuals within its facilities be treated courteously, respectfully, and with dignity and those employees maintain a working environment that encourages mutual respect, promotes civil and congenial relationships among employees and is free from all forms of harassment and violence. All individuals, employees, physicians, administrators, and other independent practitioners must conduct themselves in a professional and cooperative manner while conducting work on behalf of SouthCoast.

Employees are expected to conduct themselves in an appropriate manner as judged by a reasonable person.

Employees have the right to conduct their work without disorderly or undue interference from other employees. SouthCoast prohibits employees from violating this right of their co-workers.

SouthCoast encourages a congenial work environment of respect and professionalism. Therefore, SouthCoast prohibits employees from intentionally harming or threatening to harm other employees, patients, vendors, visitors or property belonging to any of these parties.

The objective of this policy is to ensure optimum patient care by promoting a safe, cooperative, and professional environment and to prevent or eliminate, to the extent possible, conduct which disrupts the operations of SouthCoast, affects the ability of others to do their jobs, or creates a "hostile work environment".

Unacceptable disruptive conduct may include, but is not limited to, behavior such as:

1. Verbal attacks leveled at individuals, which are personal or go beyond the bounds of fair professional conduct;
2. Physical attacks;
3. Any criticism addressed to a recipient in such a way as to intimidate, undermine confidence, belittle or imply stupidity or incompetence;
4. Disrespectful and inappropriate comments to include but not limited to: epithets, slurs or negative stereotyping; threatening, intimidating or hostile comments; denigrating jokes; offensive language, and rude remarks; and
5. Knowingly disseminating information that is false, misleading, or deceptive.

If an employee fails to conduct himself or herself in a manner similar to those listed above, the employee will be subject to disciplinary action up to and including termination.

Progressive Discipline

Disciplinary action is designed to establish an equitable system of corrective action applicable to employees found to be involved in violating group rules, regulations, or standards of performance. Disciplinary action, properly administered, is intended to improve employee performance and behavior so that an acceptable standard is attained.

Written Warning: Documented warning stating what rule, regulation or performance expectation has been violated, the facts/circumstances surrounding the violation and the reason(s) that a warning is being issued.

Probation: A term used to:

- Extend the ninety (90) day Initial Employment Period
- Extend a promotion period
- Extend a transfer period
- Extend a demotion period
- Monitor an employee's behavior/performance, when measures of counseling have not corrected the issue, the probation period will be for ninety (90) days.

Suspension-Pending Investigation: Time off from the workplace, without pay, for an infraction requiring investigation. Suspension may be administered during any phase of the disciplinary process. Human Resources must be advised before an employee is suspended from work.

Administration of disciplinary action is the responsibility of the Supervisor/Office Manager. When appropriate, disciplinary action will be applied in the progressive sequence outlined below. After each step, the employee's subsequent performance will be observed for a specific time. If insufficient improvement occurs, the next step of disciplinary action appropriate to the infraction will be taken.

The discipline procedures include the following four (4) steps; however in certain situations, management may have compelling evidence that the employee's actions warrant immediate termination and the disciplinary process will not be used. Human Resources must be advised prior to any employee termination.

The supervisor/office manager should choose a time and private place that is conducive to counseling the employee.

Step 1. Initial Written Warning: The supervisor/office manager will complete and sign the Disciplinary Action Form and then present it to the employee. An explanation of the infraction of rules or specific failure to meet job performance standards will be given to the employee. At this time, expectations of performance and corrective action on the employee's part will be clearly stated by the supervisor. The supervisor will advise the employee of further disciplinary steps to be taken, up to and including termination, if the employee fails to correct the behavior or performance issue. A review period for the employee's behavior/performance will be established.

The employee will be asked to sign the Disciplinary Action Form and make comments. If the employee refuses to sign the warning, this will be noted on the Disciplinary Action Report. The original will be placed in the employee's personnel file in the Human Resources Department, and a copy of the signed disciplinary action form should be given to the employee.

Step 2. Second Written Warning: When the initial written warning has not corrected the employee's behavior or a new behavior or infraction of policy or procedures has occurred, a second written warning will be issued, following the same procedures for issuing the initial written warning. This notice will document that this is a second event requiring a warning and that any additional infraction of policy, procedure or practices

will result in probationary action. The original signed Disciplinary Action Report will be placed in the employee's personnel file in the Human Resources Department, and a copy of the signed disciplinary action form should be given to the employee.

Step 3. Probation and Final Written Warning: When the second written warning has not corrected the employee's behavior or a new infraction has occurred, a final written warning will be issued, following the same procedure for issuing an initial and secondary written warning. After consultation with supervisor/office manager, the employee will be placed on a ninety (90) day probationary period. This will be noted on the Disciplinary Action Report. The employee will be advised further that any further infraction of any policy or failure to meet performance standards during this probationary period will result in immediate dismissal. The original signed Disciplinary Action Report will be placed in the employee's personnel file in the Human Resources Department, and a copy of the signed disciplinary action form should be given to the employee.

STEP 4. Termination: An employee will be terminated when the above steps have not corrected the behavior or when immediate termination is deemed necessary. Prior to this action, consultation with Human Resources is required. Human Resources must approve all involuntary terminations. The supervisor/office manager should meet with the employee in private, explaining the final infraction and termination of employment. The employee will be given a separation notice provided by the manager and signed by the Director of Human Resources.

Suspension Pending Investigation: When an infraction is one that requires further investigation, the manager, in consultation with Human Resources, may elect to suspend the employee pending investigation. The manager will advise the employee of the reason for the suspension and the likely length of time of the investigation. Suspension may be issued to a maximum of three (3) scheduled workdays to allow the investigation to be completed. If no infraction is found after investigation, the employee will be reinstated to his/her position and will be paid for the time missed from work. Sick and accrued vacation may not be used during the suspension. If an infraction is found, the manager, in consultation with Human Resources, will determine the appropriate disciplinary step given the employee's work history and the type of infraction. *It should be understood that suspension pending investigation can be used during any step within the disciplinary process.* If no infraction is found, the employee will receive back pay for the days on unpaid suspension.

Some behavior is so serious that immediate termination may be warranted and Steps 1-3 of this policy will not apply. In that instance, the supervisor/office manager may terminate the employee, provided they have consulted with Human Resources.

Violations Subject to Progressive Discipline

Listed below are some examples of company violations that are subject to progressive discipline depending on the degree and frequency of the infraction(s); however, immediate termination may result. (This list is not all inclusive):

- Excessive absences/tardiness (2 or more instances within 30 days).
- Any act of rudeness to or in the presence of a patient or patient's family, toward a physician, coworker, or vendor.
- Failure to meet performance standards.

- Conducting personal business or enterprise on Company property, including soliciting contributions or selling any service or article.
- Smoking on Company property.
- Violation of dress code.
- Failure to notify supervisor/office manager of absence from work at least two (2) hours prior to scheduled work time.
- Violation of nepotism policy.
- Any failure to provide appropriately prescribed care for a patient.
- Failure to report in a timely manner, any injury to a patient caused by any medical service or medical equipment.

Violations Subject to Immediate Dismissal: Listed below are some examples of company violations which may result in immediate dismissal after consultation with Human Resources. (This list is not all inclusive):

- Violation of the Code of Ethical Conduct/Confidentiality Policy #106.
- Violation of the Harassment Policy.
- Violation of the Substance Abuse Policy.
- Non-clinical employees giving patients opinions or advice on their personal or medical problems or clinical employees providing medical opinions or advice outside the scope of their position and licensure.
- Any deliberate act or omission that unnecessarily endangers a patient or coworker.
- Any sexual conduct with a patient.
- The wrongful taking of any property which belongs to a patient or coworker.
- The falsification or altering of any information in a medical record or company documents.
- The failure to document or comply with a patient's advance directives.
- Stealing, defacing or abusing property and /or unauthorized personal use of or selling of property which belongs to SouthCoast.
- Insubordination, including, but not limited to open defiance of instruction from a supervisor or physician; the use of abusive, profane or threatening language toward a supervisor/office manager, physician, coworker, patient or vendor; deliberately deviating from standard operating practices.
- The failure to report to management suspicious, unethical or illegal conduct by coworkers or vendors.

The above are examples of infractions and are not inclusive of all violations of SouthCoast policy, procedures and practices. Disciplinary action will result based on the infraction, frequency and degree of infraction.

Harassment and Discrimination Prevention

It is the policy of SouthCoast Medical Group, LLC, to commit to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, SouthCoast expects

that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
3. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances or requests for sexual favors; sexual jokes and innuendos; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, catcalls or touching; insulting or obscene comments or gestures; display or circulation in the workplace of sexually suggestive objects or pictures (including through e-mail); and other physical, verbal or visual conduct of a sexual nature. Sex-based harassment, that is, harassment not involving sexual activity or language (e.g., male manager yells only at female employees and not males) may also constitute discrimination if it is severe or pervasive and directed at employees because of their sex.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, national origin, age, disability, veteran status or any other characteristic protected by law or that of his/her relatives, friends or associates, and that:

1. Has the purpose or effect of creating an intimidating, hostile or offensive work environment;
2. Has the purpose or effect of unreasonably interfering with an individual's work performance; or
3. Otherwise adversely affects an individual's employment opportunities.

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

Coverage

These policies apply to all applicants and employees, and prohibit harassment, discrimination and retaliation whether engaged in by fellow employees, by a supervisor or manager or by someone not directly connected to SouthCoast Medical Group (e.g., an outside vendor, consultant or client).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Complaint Procedures

Reporting an Incident of Harassment, Discrimination or Retaliation. SouthCoast Medical Group strongly urges the reporting of all incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced conduct that they believe is contrary to SouthCoast's policy or who have concerns about such matters should file their complaints with their immediate supervisor, the Director of Operations, the Director of Human Resources or any member of Management before the conduct becomes severe or pervasive. Individuals should not feel obligated to file their complaints with their immediate supervisor first before bringing the matter to the attention of one of the other designated representatives identified above.

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment. Therefore, while no fixed reporting period has been established, SouthCoast Medical Group strongly urges the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. SouthCoast will make every effort to stop alleged harassment before it becomes severe or pervasive but can only do so with the cooperation of its staff/employees.

The availability of this complaint procedure does not preclude individuals who believe they are being subjected to harassing conduct from promptly advising the offender that his or her behavior is unwelcome and requesting that it be discontinued.

The Investigation: Any reported allegations of harassment, discrimination or retaliation will be investigated promptly, thoroughly and impartially. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Responsive Action: Misconduct constituting harassment, discrimination or retaliation will be dealt with promptly and appropriately. Responsive action may include, for example, training, referral to counseling, monitoring of the offender and/or disciplinary action such as warning, reprimand, withholding of a promotion or pay increase, reduction of wages, demotion, reassignment, temporary suspension without pay or termination, as SouthCoast believes appropriate under the circumstances.

If an employee making a complaint does not agree with its resolution, the employee may appeal to the Administrator.

Individuals who have questions or concerns about these policies should talk with the Director of Human Resources or a member of Management.

Finally, these policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related social activities or discussions in order to avoid allegations of harassment. The law and the policies of SouthCoast Medical Group prohibit disparate treatment on the basis of sex or any other protected characteristic, with regard to terms, conditions, privileges and perquisites of employment. The prohibitions against harassment, discrimination and retaliation are intended to complement and further these policies, not to form the basis of an exception to them.

False Claims: SouthCoast recognizes that the question of whether a particular action or incident is a purely personal social relationship without a discriminatory employment effect requires a factual determination based on all facts in the matter. Given the nature of this type of discrimination, the company also recognizes that false accusations of harassment can have serious effects on innocent individuals. False accusations may result in appropriate disciplinary action, up to and including discharge.

Retaliation Is Prohibited

SouthCoast Medical Group prohibits retaliation against any individual who in good faith reports discrimination or harassment or participates in an investigation of such reports. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action up to and including termination of employment.

Workplace Violence

SouthCoast Medical Group strives to maintain a productive work environment free of violence and the threat of violence. We are committed to the safety of our employees, patients, vendors, and visitors.

We have a policy that prohibits intimidation, threats of violence (bodily harm or property damage) and acts of violence (regardless of whether they cause harm or damage) against an employee, patient, vendor, or visitor. An employee who violates this policy may be referred for counseling. However, the violator may be subject to criminal prosecution as well as discipline up to and including termination.

A violent act/threat of violence is defined as any direct or indirect action or behavior that could be interpreted, in light of known facts, circumstances and information, by a reasonable person, as indicating the potential to harm, endanger or inflict pain or injury on any person or property. This list of behaviors, while not inclusive, provides examples of prohibited conduct:

- physical assault, threat to assault or stalking an employee or patient;
- threatening with a weapon;

- intentionally damaging property of SouthCoast Medical Group or personal property of another;
- aggressive or hostile behavior that creates a reasonable fear of injury to another person;
- harassing or intimidating statements, phone calls, voice mails, or e-mail messages, or those which are unwanted or deemed offensive by the receiver; and
- racial or cultural epithets or other derogatory remarks associated with hate crime threats.

Any questions about what constitutes violent behavior should be directed to the Director of Human Resources.

Confidentiality

It is the policy of SouthCoast Medical Group that all persons acting on behalf of SouthCoast conduct themselves ethically and in conformance with all applicable laws, regulations, professional standards, corporate policies and procedures. SouthCoast expects that all employees work with honesty and in accordance with legal practices and in a professional and ethical manner.

SouthCoast recognizes that employees will, over the course of their employment and in fulfillment of job responsibilities, be provided access to confidential, proprietary information and data. This information is considered confidential whether given verbally, stored on paper, computer disk or any other media. This information and data includes, but is not limited to, facsimiles, computer systems, computer or E-Mail generated reports, Internet, corporate financial statements/records, patient medical records and pertinent information, and employee payroll and personnel files/records. Access codes and passwords to multi-user systems at SouthCoast will not be disclosed to any other individual. See also Internet Email Policy.

Employees with access to patient, physician, payroll, financial or employee information shall use their individual access only to the extent needed to (i) perform the duties of their job; (2) create only those documents absolutely required by law and necessary to do business; and (3) distribute documents to the smallest possible audience with adequate security. An employee's breach of any aspect of this confidentiality policy is grounds for immediate dismissal.

No employee, whether during the term of their employment or thereafter, shall remove, duplicate, disclose or distribute any confidential or proprietary information or data. No employee will use, for personal gain, information about SouthCoast acquired during the course of employment. In addition, no employee shall assist anyone to use such information for personal gain.

Patient medical information is considered confidential under Federal and Georgia law. There are strict protections of medical information except as authorized by the patient or corporate policies.

YOU MAY NOT:

- Obtain a patient's medical information except to provide care, perform medical quality review, submit claims for reimbursement, or for other authorized and appropriate purposes;
- Discuss or reveal information relating to a patient's identity or medical condition with any other person who does not need to know the patient's medical condition for purposes of providing care, performing medical quality review, submitting claims for reimbursement, or other authorized and appropriate purposes; or
- Discuss a patient's identity or medical condition with an authorized person under such circumstances that the conversation can be heard by an unauthorized person.

You should refer all requests for patient medical information, from anyone other than the patient, authorized physician, or authorized SouthCoast personnel to the Office Manager. Any request for medical information by subpoena should be referred to the Office Manager, who will consult Legal Services for assistance.

No non-clinical employee will give patients their opinion or advice on personal or medical problems. Clinical employees are authorized only within the scope of their position and licensure. It is best to defer these questions to the authorized provider. Employees giving such information to the patient will be subject to immediate dismissal.

All confidential and proprietary information must be returned to SouthCoast upon termination of employment. Authorization for access to all systems, files, electronic mail or computer networks, programs or records, and/or all other data or information storage or retrieval systems is immediately revoked at the time of the employee's resignation or termination.

While this policy contains many specific guidelines, it is not exhaustive as not all eventualities can be anticipated; however, SouthCoast subscribes to strict adherence and employees in violation will be subject to disciplinary action up to and including termination.

In the event any employee witnesses acts that are inconsistent with this code of conduct, it is his/her obligation to report such conduct to management. A report may be made anonymously in writing by submitting a statement to any SouthCoast manager, corporate Compliance Officer, or the Human Resources Department. The compliance hotline is 912-303-3511.

TERMINATION AND RESIGNATION

Resignations

Management staff shall provide at least four (4) weeks written resignation notice. All other employees are expected to provide at least two (2) weeks written notice of resignation. If adequate notice is not given or the employee voluntarily does not work out the notice period, he/she will be reviewed as to eligibility for rehire.

Involuntary Separation

Employees of SouthCoast Medical Group are employed on an at-will basis, and SouthCoast retains the right to terminate an employee at any time. Involuntary terminations may occur for a variety of reasons, including with cause (i.e., employee malfeasance) or without cause (i.e., as a part of a layoff). All involuntary terminations are to be coordinated with the Director of Human Resources. No employee shall be summarily discharged for cause without an investigation. Should a supervisor be present when serious misconduct occurs, he/she may immediately suspend the employee, pending an investigation and notification to Human Resources.

When practical, employees will be warned and counseled. However, failure to correct behavior or further violation of company policy may result in additional disciplinary action, up to and including termination. Depending on the nature of the offense, SouthCoast reserves the right to terminate any employee without warning.

Warnings and counseling are to be documented on the Disciplinary Action Form and retained in the employee's personnel file. SouthCoast will generally terminate an employee after the third offense. The employee's record will indicate if the termination was either with or without cause.

Reduction in Workforce

Although SouthCoast Medical Group strives to maintain a productive and stable workforce essential to providing continuity and quality in the delivery of patient care, business development or economic conditions may require adjustments to the workforce. In these situations, SouthCoast's primary goals are to maintain operations and quality patient care.

Release

Release is the end of temporary or seasonal employment.

Automatic Termination

If an employee has not returned to full-duty status from authorized leave of absence(s), employment will be automatically terminated. An employee will be considered unable to return to work if he or she cannot perform the essential functions of the job in full capacity, with or without reasonable accommodation.

Final Paycheck

Final wages will not be paid by direct deposit. The supervisor will advise the employee that his/her final check will be mailed to his/her home address unless otherwise specified.

Abandonment

If an employee does not report for work and fails to notify their supervisor for three (3) consecutive scheduled workdays, SouthCoast will consider the employee to have abandoned their job, unless a valid and reasonable explanation is provided. The employee's departure will be recorded as a resignation without notice. Upon notification from supervisor/office manager, Human Resources will notify the employee by mail of termination of employment.

Return of Company Property

Employees must return, on or before the last day worked, all company property including (but not limited to) keys, nametag, computer equipment, and manuals.

Exit Interviews

An employee who resigns will usually be asked to participate in an exit interview with the supervisor. The purpose is to:

1. Ensure that the reason for resignation is not based on a misunderstanding or a condition that could be remedied; and
2. Gather information that could be helpful in improving working conditions of SouthCoast.

HOUSEKEEPING

Long Distance and Cell Phone Use

Employees, Board Members and Medical Staff may place long distance calls from the office for all business operations associated with SouthCoast. In general, long distance calls placed in the course of patient care, account collections, insurance authorization or any legitimate SouthCoast business is authorized as long as such calls are:

- Actual and reasonable; and
- Consistent with the needs of SouthCoast to conduct normal business operations and to accomplish business objectives in a professional and cost effective manner.

Good business judgment on the part of the individual remains the most important factor in the control of telephone expenditures. Individuals are expected to:

- Exercise good judgment when placing long distance calls;
- Make only necessary and reasonable calls; and
- Individuals may be asked to pay for calls if considered excessive; excessive will be measured by costs over \$10.00 per month.

Management must utilize the guidelines set forth in this policy to review and approve long distance expenses and is responsible for ensuring communication of the provisions of this policy to employees who incur expenses in connection with long distance telephone usage.

Calling Card Usage

It is the policy of SouthCoast Medical that no individual may possess a SouthCoast calling card. More specifically, any attempt through the use of a calling card to directly allocate long distance telephone charges to SouthCoast is prohibited, will be considered theft and is a terminable offense.

Personal Long Distance Calls From the Office

If an excessive amount of personal calls are placed by a physician or employee, SouthCoast reserves the right to deduct all costs from available pay.

Personal Cellular Phones

While at work employees are expected to exercise the same discretion in using personal cellular phones as is expected for the use of company phones. Excessive personal calls during the work day, regardless of the phone used, can interfere with employee productivity and be distracting to others. SouthCoast encourages employees to limit personal calls during work time to no more than one per day as needed. Employees are therefore expected to make any other personal calls on non-work time where possible and to ensure that friends and family members are aware of SouthCoast's policy. In circumstances demanding immediate attention or potential family emergencies, you should notify your supervisor in order to receive permission to use your personal cell phones beyond the guidelines listed above.

SouthCoast will not be held liable for the loss of personal cellular phones brought into the workplace.

Picture Cell Phones, Personal Digital Assistants (PDAs), and Pocket PCs

While at work employees are expected to exercise the same discretion in using picture cell phones, PDAs, and Pocket PCs as is expected for the use of company phones. The guidelines established for personal cell phones apply for these devices also. In addition to the cell phone capability, these devices have picture taking or digital imaging capabilities. There is no authorized use of these items in the workplace. Pictures of company documents, coworkers, work areas, etc are prohibited. No photo images will be permitted without the specific permission of your supervisor or administration. It is our intent to protect the privacy of our personnel and to maintain a pleasant and productive work environment. SouthCoast will not be held liable for the loss of personal picture cell phones, PDAs or Pocket PCs brought into the workplace.

Personal Use of Company Provided Cellular Phones

Where job or business need demands immediate access to an employee, SouthCoast may issue a business cell phone to an employee for work-related communications. To protect the employee from incurring a tax liability for the personal use of this equipment, such phones are to be used for business reasons only. Phone logs will be audited regularly to ensure no unauthorized use has occurred.

If an employee experiences a severe personal emergency that results in the need to use SouthCoast's cellular phone, he or she is required to report this use to the Accounting Department within 48 hours. The employee will be asked to sign a form specifying the number called and the reason for the call, as well as a specific authorization to deduct the cost of the call from his or her paycheck when the bill is received, unless employee reimburses company prior to pay date. Failure to report such use may result in disciplinary action up to and including termination. Failure to reimburse SouthCoast for the cost of the call may result in tax liability for the employee. In the event of excessive personal calls on a company provided cell phone, the Accounting Department reserves the right to review charges and determine "excessive" charges, based upon information provided. Employee will agree to repay excessive charges through payroll deduction.

Employees in possession of company equipment such as cellular phones are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the phone for return or inspection. Employees unable to present the phone in good working condition within 24-hours, may be expected to bear the cost of a replacement.

Employees who separate from employment with outstanding debts for equipment loss or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss.

Dress Code

Each employee is a representative of SouthCoast Medical Group. As a professional in the health care field with high visibility to the public, one's personal appearance is a significant reflection of professional competence in the judgment of many patients,

physicians and the community. Each employee is expected to appear clean, neat, and well groomed, with regard to attire and hairstyles for work. Your personal appearance reflects SouthCoast's standards.

Because most of our employees deal with patients and have "high visibility" to the public, such personal matters as attending to make-up, nails, chewing gum, eating candy or other foods should **never** be done in the presence of patients.

Uniformed Clinical Personnel: Personnel whose duties and location require a uniform shall be in uniform at all times while on duty. It is the responsibility of the employee to keep it clean, wrinkle free and in good condition.

- Uniform should be professional in appearance;
- Uniform fabric/pattern/design should be professional in nature, and must not be flamboyant or offensive; and
- Uniform pants must be ankle length, Capri length not permitted.

Non-Uniformed, Non-Management Clinical Employees:

Males:	Shoes with socks, professional in nature and job appropriate Slacks (material suitable to hold a crease) Short/long sleeves Collared shirts Suits/Sports jacket permissible
Females:	Shoes must be professional in nature and job appropriate Shoes worn without stockings, presentation must be polished and professional Skirts-Length not more than two (2) inches above the knee Split Skirts – Length not more than two (2) inches above the knee Slacks –ankle length or two inches above (material suitable to hold a crease, Capri length not permitted) Short/long sleeve blouses; Sleeveless blouses permitted, if professional in nature Suits/Jackets permissible

Non-Clinical/Management Employees: Follow above standards; in addition Non-Clinical Males will wear ties, except on designated corporate casual days.

Jewelry: All employees are asked to take a conservative approach to wearing jewelry which is appropriate to the job function, such as avoiding too much jewelry and/or dangling bracelets or large earrings, limiting potential associated health and safety risks to employees and patients.

For female employees, earrings that are worn in the ear will not be excessive (excessive is defined as more than 2 earrings in each ear). Male employees may not wear earrings. Earrings that are placed in the mouth, nose, eyebrows, or lips are inappropriate and not acceptable attire.

Cologne/Lotion/Perfume: Employees shall not wear cologne/lotion/perfume with heavy scents, which could be offensive to other persons. These items may trigger allergic reactions or asthma symptoms for coworkers, patients or the general public.

Name Tags: Certain locations have identified the employee nametag as a part of its uniform code. The nametag must be worn at all times, during scheduled work hours, or while on company property. The proper placement of the nametag is on a chain around the neck, on a clip attached to the collar or clipped on employee's shirt/ jacket pocket. Nametags are not to be worn on belts, pant pockets, or otherwise hidden from view. No stickers, tape, or decorations should be placed on the nametag. If the nametag is lost, misplaced, damaged or otherwise defaced, the employee will be responsible for the replacement cost of the new nametag. Upon termination of employment nametag is to be returned to the supervisor/office manager or Human Resources.

Nails: Nails must be neat and trim and of length which is appropriate for the job function.

Hair: Hair should be clean and natural, and the style tasteful. Extreme hair styling for men or women is not acceptable. Mustaches and beards should be neat and well trimmed.

Non-Uniformed Staff-Casual Friday Attire: Unless specifically communicated otherwise, the following attire has been deemed appropriate for standard casual Fridays. Although casual days are to be more relaxed, a professional look and attitude reflecting our business environment must be maintained.

Appropriate casual attire is considered to be polo style shirts, sweaters, casual slacks, casual skirts, denim dresses or skirts.

Inappropriate casual attire is considered to be blue jeans, revealing blouses, tights worn as slacks, shorts, even if worn with a jacket are not acceptable.

Employees whose attire fails to meet these standards shall be counseled by their supervisor. If counseling fails to correct the noncompliance, the employee will be disciplined according to the Progressive Discipline Policy.

Employees may seek an exemption from any of these requirements from the Human Resources Department by providing in writing, justification that the employee requires a reasonable accommodation relating to the employee's religious beliefs, physical disability or other justifiable circumstances.

GENERAL

Internet/E-mail Policy

Access to the Internet and E-Mail system has been provided to staff members for the benefit of SouthCoast Medical Group and its operations. It allows employees to connect to information resources around the world. Every staff member who has access to the Internet and E-Mail has a responsibility to extend SouthCoast's code of ethical conduct in using these systems in a productive manner. All confidentiality agreements and guidelines extend to use of the Internet and E-Mail systems.

Employees accessing the systems are representing SouthCoast Medical Group. All communications should be for professional reasons. Employees are responsible for seeing that the Internet and E-Mail is used in an effective, ethical and lawful manner. Internet Relay Chat channels may be used to conduct official business, or to gain technical or analytical advice for the purpose of performing or enhancing the employee's job. Databases may be accessed for information as needed and E-Mail may be used for business purposes only.

The employee recognizes that all information, correspondence, data and materials which will be furnished or disclosed to him/her by SouthCoast, or come into his/her knowledge or possession during his or her employment by SouthCoast will not be communicated through the Internet or E-Mail system for the purpose of personal gain. The employee understands this information is for the sole purpose of his/her employment by SouthCoast.

Unacceptable Use: The Internet and E-Mail system should not be used for personal gain or advancement of individual views. Solicitation of non-company business, or any use of the systems for personal gain is strictly prohibited. Use of these systems must not disrupt the operation of SouthCoast's network, or the networks of other users or interfere with the employee's productivity.

The Internet and E-Mail system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials without prior authorization from the Administrator.

Employees shall not use a code, access a file, or retrieve any stored information, unless authorized to do so. Employees should not attempt to gain access to another employee's messages without the latter's permission. All computer pass codes must be provided to the System Administrator. Unknown pass codes are in violation of company policy.

Each employee is responsible for the content of all text, audio or images that they place or send over the system. Fraudulent, harassing, discriminatory or obscene messages are prohibited. All messages communicated on the Internet should have your name attached and no messages will be transmitted under an assumed name. Users may not attempt to obscure the origin of any message. Information published on the Internet should not violate or infringe upon the rights of others by use of abusive, profane or offensive language, discriminatory statements regarding sexual orientation, religious or political beliefs, national origin or disability and will not be transmitted through the

system. Employees who wish to express personal opinions will do so by obtaining their own user names on other Internet systems.

Software: To prevent computer viruses from being transmitted through the system, there will be no unauthorized downloading of any software. All software downloads will be done through the System Administrator.

Copyright Issues: Copyrighted materials belonging to entities other than SouthCoast may not be transmitted by staff members on the system. One copy of copyrighted material may be downloaded for your own personal use in research provided approval has been obtained from the System Administrator. Users are not permitted to copy, transfer, rename, add or delete information or programs belonging to other users unless given express permission to do so by the owner in writing. Failure to observe copyright or license agreements will result in disciplinary action from SouthCoast or legal action by the copyright owner.

No Privacy Expectation: All messages created, sent or retrieved over the system are property of SouthCoast and should be considered company property. SouthCoast reserves the right to access and monitor all messages and files on the computer system as deemed necessary and appropriate. Internet messages are not private, but company property. All communications including text and images can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Solicitation/Distribution Policy

In order to maintain a proper business environment and prevent interference with an employee's own work and the work of others, solicitation of any kind is prohibited while either employee is on his or her working time. This includes selling any kind of service or merchandise, soliciting financial contributions, or soliciting for any other cause. Solicitation by non-employees on SouthCoast premises or at SouthCoast sponsored events is prohibited at all times, unless expressly authorized by Management.

Distribution of advertising material, handbills, printed or written literature of any kind in the working areas of SouthCoast is prohibited at any time. Distribution of literature by non-employees on SouthCoast premises is prohibited at all times.

Acknowledgment of Receipt of Employee Handbook

My signature below indicates that I have received a copy of the SouthCoast Medical Group, L.L.C. (or "SouthCoast") Employee Handbook, which becomes effective _____
_____. I understand that this employee handbook supersedes all other employee handbooks previously issued by SouthCoast.

I understand that the SouthCoast Employee Handbook does not create a contract of employment with SouthCoast and does not guarantee me any specific terms, conditions, or length of employment. I understand that the employment relationship may be terminated at any time and for any reason by me or SouthCoast. Further, I understand that no employee or representative, with the exception of the Board of Managers, has the authority to bind SouthCoast to any employment contract with any employee. Further, any such commitment must be in writing, addressed to a specific individual, and signed by an individual authorized to act on behalf of the Board of Managers.

Date: _____

Employee's Name (please print)

Employee's Signature

Signature of Human Resource Representative or Supervisor