



New Hire Packet

OUR MISSION AT LAVISH

At Lavish Salon, we have a passion to serve.

As a company, we serve our team members - our team is our greatest asset.

As co-workers, we serve each other - we have respect for our different personalities and talents.

As a salon, we serve our guest - we enhance their individual beauty and provide relief for the body and soul.

EMPLOYEE HANDBOOK

Lavish Salon and Spa

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FOREWORD

The Lavish Story

Our story is not about just one instance or one individual. It's a combination of many stories that makes us "Lavish."

The story begins with me, Kristi Brehm. After working as a stylist for several years, I started "Kristi and Co." in 1995. I wanted to create a place for people in the beauty industry to work where they could feel part of the business, where they could move up the ladder, and where they could have a place to thrive. I felt uncomfortable with the way the industry looked at the time. Salons existed on every corner with no support or opportunities for new graduates of cosmetology schools to begin a career that could not only meet their financial needs and goals but also to achieve lasting personal fulfillment.

At the same, rarely did salons pay much attention to customer service. I wanted to create a place where customers could come and feel like real people, a place where they could feel they didn't just occupy a chair, they *mattered*. I wanted to create a salon that catered to people's needs, caring not only about their appearance, but also about their total well being.

The general perception of the beauty industry at the time was that it lacked style, professionalism, and attention to details. That bothered me because I love this industry. I think it's one of the best industries to work in—it can be profitable and fun at the same time. When I started "Kristi and Co" I wanted it to be a place that exuded those very qualities—style, professionalism, and impeccable attention to details.

Our story continues with a young girl applying for an apprenticeship position at the salon. As I approached her sitting in the lobby, I noticed that she was different. She had big hair... "Texas" big hair. Her nails were painted a shade of pink I had never seen before. But that wasn't what made her special. As I began her interview she made a comment I won't soon forget. She said she never understood people that wanted to do hair until they figured out what they wanted to do with their lives. For her, hairdressing was not just something to do until a "real job" came along. Hairdressing was her passion! She personifies the spirit of Lavish. It's a place where we *respect* what we do, and we do it *style and professionalism*.

Then was a customer who had taken on the awesome task of caring for two elderly aunts. I attended a funeral for the eldest aunt. As my customer started the eulogy her voice began to break from the sadness she was feeling. She started thanking all the people who had helped her in her time of need. As she went down the list, I was surprised to hear her mention my name. She said on one of her worst days, she had come to the salon. I just so happened to give her a hug that day and it stuck in her memory for three months. It had meant that much to her. Her story also demonstrates what we're about at Lavish. Our customers *matter*.

Then there was a receptionist for our company whose daughter was born with a life-threatening liver disease. At her two-month check up the doctors hospitalized her and told her and her husband their daughter would need a liver transplant as soon as possible. Our employees wanted to do something to help them. We decided to throw a benefit in their honor. The staff gave up their pay for a whole day and many customers donated auction items and monetary gifts

to raise funds to help them cover the expenses from staying at the hospital for several months. At Lavish, we *care* about each other.

In 2000, we underwent an expansion and changed our name to “Lavish.” Due to increasing customer demand and a broadening of my own personal vision, we felt the need to expand our square footage as well as future horizons. Although we felt sad to leave behind “Kristi and Co,” we were excited about the new marketing possibilities for “Lavish.” By expanding, we took another step in fulfilling the dream of creating a salon where our staff *not only share the joy of imparting nurture and wholeness to our customers, but also find the opportunity to thrive both personally and professionally.* We wanted to expand the possibilities for making a place where our staff could feel that they “*belong.*”

At “Lavish,” we respect ourselves and what we do. We also have compassion for each other and for our customers. Our goal is to promote this kind of relationship with everyone who walks through our doors. You are now part of our story. Welcome!

-Kristi Brehm

A Team Environment

The heart of the Lavish vision is a team environment. We are deeply committed to the philosophy of our staff as a team. That isn't because it's a "cutting edge" approach to running a business. It's because we believe it's the only way we can realize the Lavish vision.

A team environment is the only way we can build a business where *everyone can feel part of the business*, where they have the opportunity to advance beyond the level of a technician, perhaps even to manage their own salon. It is the way we believe we can create a niche in the beauty industry where people can achieve lasting personal fulfillment.

Building a team environment at Lavish is the only way to take the focus away from "getting my money" to customer service. It's hard to make customers feel like they *matter* when the focus of everything is dollars and commissions. In a team environment, we're all working together to care for our customers' image as well as their total well-being.

A team environment also makes it possible to create a salon characterized by *style, professionalism, and attention to details*. Since we're working together, and not in competition with each other, we can concentrate on achieving excellence in customer service. Working together in a team environment enables us to share our expertise with apprentices through an ongoing training program. It also gives us the freedom to enjoy flexibility in our work schedules. Time off is no longer a penalty but a benefit.

A team environment is essential to the Lavish vision of a salon where our staff are primarily concerned with imparting nurture and wholeness to our customers, while also thriving both personally and professionally.

What does a team environment look like? In short, we recognize that we all contribute to the success of the salon. We believe a team environment promotes:

- **Customer Service:** We embrace our customers (all of them, not just "our" individual customers) by engaging in conversation and showing by our body language (eye contact, nods, smiles, hugs) that they are important to us.
- **Communication:** We communicate with one another. We address problems directly rather than talking about others behind their backs. We share information with one another so that everyone knows where we are and what we are seeking to achieve. We welcome input from everyone.
- **Cooperation:** We work together. We don't hesitate to refer clients to an associate. We show respect for one another—for our different personalities and talents. We recognize that our contribution affects the whole team. We resolve problems together. We build one another up and we help one another.
- **Confidence:** We have confidence in our leadership and respect their responsibility and responsibility and their ability to direct the business. We believe in the Lavish vision and we do our part to make it a reality.

It is our belief, and an important part of the Lavish vision, that in a team environment

WE ALL SUCCEED TOGETHER!

Lavish Salon Strategic Objective

Simply put, our goal is that *Lavish Salon will become the standard for Salon and Spa excellence.*

At Lavish our typical customer will be anyone who demands excellence in service and satisfaction in product value. We will sell only one product...*temporary euphoria*. Our customers will feel this euphoria from the moment they walk in the door. We will “Lavish” them with smiles, indulge them with comfort, affirm their individuality, and provide relief for body and soul. We will make it possible for them to recreate themselves, both in their appearance and their outlook on life.

We will offer training at our salon that will allow us to achieve the goal of becoming the standard for Salon excellence. This means that our staff will not only share the job of imparting nurture and wholeness to our customers, but also find the opportunity to thrive both personally and professionally. It also means that all service areas of the salon and will be systemized to guarantee consistency at every location.

Our vision at Lavish is not only to set the standard for Salon excellence, but also to recreate the standard in other locations, both locally and beyond. As we grow, we will promote people within our organization to serve in leadership roles that believe in the Lavish vision and strive to make it a reality.

The standard for Salon excellence. Our customers demand it. We believe in it. We will provide it so that our customers experience temporary euphoria from start to finish...and take it with them when they leave.

Receipt of Employee Handbook

If you have just joined our staff at Lavish, we are confident that you will find our company a dynamic and rewarding place in which to work and we look forward to a productive and successful association. We consider the employees of Lavish to be its most valuable resource. This manual has been written to serve as a guide from the employer/employee relationship.

Several things are important to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit, or the applicability of a policy or practice to you, you should address your specific questions to Lavish Management.

Neither this handbook or any other Company document, confers of contractual right, either express or implied, to remain in the company employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will, with or without cause and without prior notice, by Lavish. This also means that you may resign for any reason at any time. No supervisor or other representative of the company (except the President) has the authority to enter into any agreement for employment for any specified period, or to make any agreement contrary to the above.

Second, the procedures, practices, policies and benefits described here may be modified or discontinued from at any time. We will try to inform you of any changes that may occur.

Third, this handbook and the information in it should be treated as secret and confidential. No portion of this handbook should be disclosed to others, except Lavish employees and others affiliated with Lavish whose knowledge of the information is required in the normal course of business.

Finally, some of the subjects described here are covered in detail in official policy documents. You should refer to these documents for specific information, since this handbook only briefly summarizes those benefits.

INTRODUCTION

Equal Employment Opportunity Policy Statement

Equal Employment Opportunity has been, and will continue to be, a fundamental principle at Lavish. Employment is based upon personal capabilities and qualifications without discrimination on the basis of race, color, religion, sex, age, national origin, disability, or any other protected characteristic as established by law.

This applies to all policies and procedures relating to recruitment and hiring, compensation, benefits, termination and all other term and conditions of employment. The management team at Lavish Salon and Spa has overall responsibility for this policy and maintains reporting and monitoring procedures. Employees' questions and concerns should be referred to Lavish Management.

Appropriate disciplinary actions may be taken against any employee willfully violating this policy.

Non-Discrimination and Anti-Harassment Policy

[This policy is intended to comply with the 1998 United States Supreme Court decisions, *Faragher v. City of Boca Raton*, 118 S. Ct. 2275 (1998) and *Burlington Indus., Inc. v. Ellerth*, 118 S. Ct. 2257 (1998). This policy also incorporates most of the suggestions set forth in the June 21, 1999 Equal Employment Opportunity Commission's Guidance on Vicarious Employer Liability for Unlawful Harassment by Supervisors. The Supreme Court decisions (and the EEOC Guidance) place a burden on employers to take action to prevent and remedy harassment in the workplace in order to avoid liability. Accordingly, we have set forth the following with the intention of: including the policy in the prominent place in our employee handbook and ensuring that employees have effective avenues to bring complaints forward (not just through their supervisor). In addition, it is our intention to widely disseminate the policy (independent of the employee handbook) throughout the workplace on a periodic basis to make sure all employees know its existence and understand the complaint procedure; respond to complaints brought under the policy promptly and thoroughly investigating them in good faith to determine if violations of the policy have occurred; take prompt, appropriate remedial action to enforce the policy; and ensure that the designated "complaint-recipients" are well-prepared to handle the complaints they may receive and that whoever is assigned to investigate these complaints has sufficient training and experience to do so properly.]

Lavish Salon is committed 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, Lavish expects that all relationships among persons on the workplace will be business-like and free of bias, prejudice and harassment.

Equal Employment Opportunity

It is the policy of Lavish to ensure of equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex (with or without sexual conduct), age, disability, alien or citizenship status, marital status, creed, genetic predisposition or carrier status, sexual orientation or any other characteristic protected by law. Lavish prohibits and will not tolerate any such discrimination or harassment.

Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purpose of this policy, sexual harassment is defined, according to 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:

- a. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- b. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- c. 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 innuendo; 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, national origin, religion, age, disability, [alien or citizenship status, marital status, creed, genetic predisposition or carrier status, sexual orientation] or any other characteristic protected by law or that of his/her relatives, friends or associates, and that:

- a. Has the purpose or effect of creating an intimidating, hostile or offensive work environment;

- b. Has the purpose or effect of unreasonably interfering with an individual's work performance; or
- c. 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)

Individuals and Conduct Covered

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 Lavish (e.g., an outside vendor, consultant or customer). *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.

CONFLICT OF INTEREST AND OUTSIDE EMPLOYMENT STATEMENT

In General

At Lavish we expect our employees to conduct business according to the *highest ethical standards of conduct*. Employees are expected to devote their best efforts to the interests of the Company. Business dealings that appear to create a conflict between the interest of Lavish and an employee, or that may interfere with an employee's commitment to Lavish, are unacceptable. Lavish recognizes the right of employees to engage in activities outside of their employment that are of a private nature and unrelated to our business. However, the employee must disclose any possible conflicts so that Lavish may assess and prevent potential conflicts of interests from arising. A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of Lavish's business dealings.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones that most frequently present problems. If an employee has any question whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact Lavish management to obtain advice on the issue. The purpose of this policy is to protect employees from any conflict of interest that might arise.

A violation of this policy will result in immediate and appropriate discipline, up to and including immediate termination.

Outside Employment

Employees are hired and continue to be employed by Lavish with the understanding that Lavish is their primary employer and that other employment or commercial involvement that is in conflict with the business interest of Lavish is strictly prohibited.

Solicitation of Gifts

No employee may solicit gifts of significant value (i.e., in excess of \$25.00) from potential or actual customers, suppliers, or competitors. Employees may accept gifts offered by customers for birthdays or holidays, but special care must be taken in every case to avoid even the impression of a conflict of interest. (i.e., no services or products should be expected or promised in return for the gift). *Our customers come to us expecting excellent salon and spa services, and they deserve to have their privacy respected.*

Confidentiality

Lavish retains legal ownership of what is produced by Lavish employees. This includes written and electronic documents, audio and video recordings, system code, and any concepts, ideas, or other intellectual property developed for Lavish. Such information is to be considered confidential and it must remain so even after end of employment. It is considered a breach of confidentiality and a conflict of interest for an employee to disclose or supply other entities with certain types of information.

All Lavish records and information relating to Lavish or its customers are confidential. No Lavish or Lavish-related information, including without limitation documents, notes, files, records, oral information, or computer files or similar materials may be removed from Lavish's premises (except in the ordinary course of performing duties on behalf of Lavish) without written permission from Lavish management. Additionally, the contents of Lavish's records or information otherwise obtained in regard to business may not be disclosed to anyone, except where required for a business purpose. Employees of Lavish must not disclose any confidential information, purposefully or inadvertently (through casual conversation), to any unauthorized person inside or outside the company. Employees who are unsure about the confidential nature of specific information must ask Lavish management for clarification. Employees who reveal information of a confidential nature, whether knowingly or unknowingly, will be subject to appropriate disciplinary action, up to and including immediate dismissal.

EMPLOYMENT

Conditions of Employment

Every Lavish employee has the status of “employee-at-will,” meaning that no one has a contractual right, express or implied, to remain in Lavish’s employ. Lavish may terminate an employee’s employment, or an employee may terminate his/her employment, without cause, and with or without notice, at any time for any reason.

When a new employee comes to work for Lavish, the company expects him/her to provide transportation, suitable attire for work, and implements of the trade, such as shears, blow-dryers, combs, clips, clippers and razors, curling irons, etc. Lavish will provide station products, clean towels, smocks, aprons, rollers, clips, etc.

Initial Employment Period

Every new employee goes through an initial period of adjustment in order to learn about Lavish and about his/her job. During this time, the employee will have an opportunity to find out if, he/she is suited to, and likes, his/her new position.

Additionally, the initial employment period gives the employee’s supervisor a reasonable period of time to evaluate his/her performance. The initial employment period is 90 days.

During this time, the new employee will be provided with training and guidance from his/her supervisor. He/she may be discharged at anytime during this period if his/her supervisor concludes that he/she is not progressing or performing satisfactorily. Under appropriate circumstances, the initial employment may be extended. Additionally, as is true at all times during an employee’s employment with Lavish, employment is not for any specific time and may be terminated at will, with or without cause and without prior notice.

At the end of the initial employment period, the employee and his/her supervisor may discuss his/her performance or provide a work review to him/her. Provided his/her job performance is “satisfactory” at the end of the initial employment period, he/she will continue in our employment as an at-will employee.

Employee Categories

Based on the conditions of employment, employees of Lavish fall into the following categories:

Full-Time: An employee who works the standard working hours of the company each week
(for these purposes, 35 hours per week excluding lunches)

Part-Time: Employees classified as exempt or non-exempt and work a regular schedule of 20 hours or more, but less than 30 hours per week.

COMPENSATION

Performance Evaluation Schedule

Lavish employees will receive constructive evaluations designed to address performance and skill developmental needs and interests. Employees may receive constructive work reviews on the following schedule:

- a. Quarterly work review
- b. Monthly Reviews

Payment of Salary

Paydays are bi-monthly. Pay periods are as follows:

11th – 25th paid on the 1st of the following month

26th – 10th paid on the 15th of that month

Policies Regarding Paychecks

It is the company's policy that employee paychecks will only be given personally to that employee. All other arrangements for mailing or pick-up must be made in advance and in writing with Lavish management. Checks will be given after 2:00 PM.

If the normal payday falls on a Company-recognized holiday, paychecks will be distributed one workday prior to the aforementioned schedule. Under no circumstance will the Company release any paychecks prior to the announced schedule.

Employees may be paid by check or through direct deposit of funds to either a savings or checking account of their bank of choice. To activate direct deposit, a direct deposit authorization form from the Lavish management may be obtained and the employee must complete the form. The completed form must then be returned with a voided check to the Lavish management. Due to banking requirements, it may take several weeks for the activation of the direct deposit.

In the event of a lost paycheck, the Lavish management must be notified in writing as soon as possible before a replacement check can be reissued. In the event the lost paycheck is recovered and the company identifies the endorsement as that of the employee, the employee must remit the amount of the replacement check to the company within 24 hours of the time it is demanded.

A statement of earnings is given each pay period to employees indicating:

- Gross Pay
- Statutory Deductions
- Voluntary Deductions

The amount of the federal withholdings is affected by the number of exemptions claimed on Form W-4, Employee's withholding allowance Certificate. If an employee's marital status changes or the number of the exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to the Lavish management.

Except for extreme emergencies, no salary advances will be made.

ON THE JOB

Salon Hours - Webster

| | |
|-----------|------------------|
| Monday | 9:00am – 5:00pm |
| Tuesday | 9:00am – 8:00pm |
| Wednesday | 10:00am – 6:00pm |
| Thursday | 9:00am – 8:00pm |
| Friday | 9:00am – 8:00pm |
| Saturday | 9:00am – 7:00pm |
| Sunday | Closed |

Salon Hours – Baybrook

| | |
|-----------|------------------|
| Monday | 9:00am – 6:00pm |
| Tuesday | 9:00am – 9:00pm |
| Wednesday | 10:00am – 9:00pm |
| Thursday | 9:00am – 9:00pm |
| Friday | 9:00am – 9:00pm |
| Saturday | 9:00am – 9:00pm |
| Sunday | 12:00pm – 6:00pm |

*Holiday hours will be different and are subject to change.

Attendance Punctuality and Dependability

Because Lavish depends heavily upon its employees, it is important that employees attend work as scheduled. *Dependability, attendance, punctuality and a commitment to do the job right are essential at all times.* As such, employees are expected to work on all scheduled workdays and during all scheduled work hours and to report to work on time. Moreover, an employee must notify Lavish management as far in advance as possible, but not later than one hour before his/her scheduled starting time if he/she expects to be late or absent. This policy applies for each day of his/her absence. An employee who fails to contact his/her immediate supervisor or Lavish management may be considered as having voluntarily resigned. A careful record of absenteeism and lateness is kept by the employee's supervisor and becomes part of the personnel record. To the extent permitted by law, *absenteeism and lateness lessen an employee's chance for advancement and may result in dismissal.*

Lunch breaks for full time employees will be worked into your regular schedule at a time discussed between you and Lavish management. All areas of the salon need to be staffed at all times, therefore lunch breaks should be coordinated among employees to ensure that clients have access to all services at all times. Under normal circumstances, group lunches will not be allowed.

Blocking time on your books is PROHIBITED unless approved by Lavish management. Any employee who violates this policy will be subject to appropriate disciplinary action, up to and including immediate dismissal.

Drug and Alcohol Abuse

Manufacture, distribution, dispensation, possession, or use of any illegal drug, alcohol, or controlled substance while on Lavish premises are *strictly prohibited.* In addition, the misuse of prescription medications while on Lavish premises is strictly prohibited. These activities constitute serious violations of company rules, jeopardize Lavish and can create situations that are unsafe or that substantially interferes with job performance. Employees in violation of the policy are subject to appropriate disciplinary action, up to and including dismissal. Additionally, Lavish reserves the right to require an employee to undergo a medical evaluation under appropriate circumstances.

Appearance and Conduct

Since we are seeking to set the standard in the beauty industry, *Lavish expects employees to maintain a neat, well-groomed appearance at all times.* Hair is to be styled and makeup applied prior to arriving for work. **THIS IS NOT OPTIONAL!**

Lavish has established a dress code that requires:

- Black bottoms (No shorts or denim, even if they are black)
- Skirts must be black and reasonable length as to not show so much leg.
- Black shirts, Lavish logo shirts or Aveda logo shirts only. (Tank tops or Halter tops are not acceptable by violation of State Board)
- Shoes that are stylish that do not “click clack” on floor. (no work out or old tennis shoes, please no open toe shoes)

Open Door Policy

Lavish promotes an atmosphere whereby employees can talk freely with members of the management staff. Employees are encouraged to openly discuss with their supervisor any problems so appropriate action may be taken. *Lavish is interested in all of our employees ‘success and happiness.* We therefore, welcome the opportunity to help employees whenever feasible.

Internal Complaint Procedures

To foster sound employee-employer relations through communication and reconciliation of work-related problems, Lavish provides employees with an established procedure for expressing employment – related concerns.

In situations where employees feel a complaint is in order, the following steps should be taken:

1. If an employee believes that he/she has a legitimate work-related complaint, the employee is encouraged to first attempt to resolve the issue(s) through discussions with his/her shift leader.
2. If the situation is not resolved it should be brought to the attention of Lavish management. Lavish will attempt to resolve the complaint within a reasonable period of time while preserving the confidentiality and privacy of those involved to the extent feasible.

Solicitations, Distributions, and Use of Bulletin Boards

Persons not employed by Lavish may not solicit our employees or customers during working time, nor may they distribute literature in work areas at any time (including flyers, brochures, business cards for persons, activities, or businesses other than Lavish). Under no circumstances may anyone, including Lavish employees, solicit our customers at any time for any purposes other than approved company business (Lavish discounts, special offers, mail outs for special seasons, etc.).

Bulletin boards maintained by Lavish are to be used only for posting or distributing notices containing matters directly concerning company business or announcements of a business nature, which are equally applicable, and of interest of employees.

All posted material must have authorization from Lavish management. All employees are expected to check these bulletin boards periodically for new and/or updated information and to follow the rules set forth in all posted notices. Employees are not to remove material from the bulletin boards.

Staff Meetings and Huddles

As an employee of Lavish Salon, it is required that all employees attend our staff meetings that will take place every 1st Wednesday at a time and location to be determined in advance. All employees are also required to attend huddles, which are short 15 minute gatherings designed to inform the staff of upcoming events and go over salon goals. Huddles generally take place Wednesday mornings at 9:30 AM, but may vary according to salon schedules.

Promotional Activities

Lavish will from time to time participate in fashion shows and other charitable events. Our participation is intended not only to make a contribution to the community, but also promote our salon and spa services. *Employees are required to participate in these events, even when they may take place outside normal business hours.*

Lavish also reserves the right to discount the price for services at any time in order to promote new business.

TIME OFF

Vacation

After one full year of full time employment, an employee is eligible for **one week's paid vacation**. Notice will be given on a quarterly basis in order to allow Lavish management to plan accordingly. All time off for vacation must be *requested in writing* prior to the day before that quarterly period begins (provided the request is submitted no later than two weeks prior to the first day of vacation). **Written notice should be posted on the bulletin board** in the break room. Lavish management will then approve or deny the request, usually within 5 working days. Approval will be indicated by management on the notice. The employee may then take the notice to the front desk to have the time blocked off the books. Under no circumstances may an employee block time off the books without the written approval of Lavish management. Anyone violating this policy, including receptionist, will be subject to appropriate disciplinary action, up to and including immediate dismissal.

The quarterly periods are:

- January 1st to March 31st
- April 1st to June 30th
- July 1st to September 30th
- October 1st to December 31st

For example, according to this policy all vacation time from January 1st through March 31st, must be submitted prior to December 31st.

All vacation requests are subject to approval by Lavish management depending on the needs of the salon. While we try to accommodate all vacation requests, Lavish makes no guarantees about granting any requests.

Normally, no vacation requests will be granted during the period of November 15th through December 31st due to the high volume of customers.

In addition, Front desk employees may not trade shifts without written authorization from Lavish management.

Exceptions to the policies stated above may be made at the sole discretion of Lavish management.

Personal/ Sick Time

All full-time employees who have been employed at Lavish for more than one calendar year are eligible for 5 paid personal/sick days per year, to be used for doctor's visits, religious observance, moving, etc.

Personal days generally are not approved before an employee has been employed at Lavish for at least 90 days. They are to be used at the employee's convenience with his/her supervisor/manager's advance approval.

Because personal/sick days are intended to provide income protection in the event of unforeseen circumstances they cannot be carried over from one calendar year to the next.

Under no circumstances will payment in lieu of personal/sick days not taken by the end of a calendar year be given and personal/sick days not taken when an employee terminates will be forfeited.

New employees will accrue personal/sick days in the first calendar year of employment at a rate of 5 days per 12 months beginning with their start date (i.e., approximately 1 day for every 10 weeks of employment). These days will be available to new employees after the first 90 days on a pro-rated basis. For example, after the first 90 days, a new employee will have accrued 1 ¼ days, and may at the time use the total number of days available. After the first 6 months, 2 ½ days will be available, after 9 months, 3 ¾ days, and at the end of 12 months, 5 days.

Holidays

All full-time employees (including those in initial employment period) are eligible for 4 paid holidays per year as follows:

- New Year's Day
- Easter Sunday
- Thanksgiving Day
- Christmas Day

At the end of each year the holiday schedule for the coming year will be posted on the bulletin board.

When a Holiday falls on a weekend, it will not be paid.

Absence Due to Illness

To keep a business running smoothly and efficiently, it is important that every employee be on the job on time regularly. For this reason, careful attention is given to *promptness, absence record and overall dependability*.

Lavish recognizes, however, that an employee may occasionally be disabled by injury or illness. As a result, the Absence Due to Illness policy is designed to provide protection to employees against loss of income during unavoidable illness or injury.

To be eligible for sick pay, employees unable to report to work due to illness must telephone their supervisor directly, each day of their absence, as far in advance as possible, but no later than one hour before their scheduled arrival time. If an employee is unable to call personally, a family member or a friend should contact the supervisor. Even in the event that another employee agrees to work in place of an employee who is unable to report to work, that employee must still inform the supervisor of the change directly.

The Lavish management must be contacted each day of absence. An employee who fails to contact his/her Lavish management may be considered as having resigned. This policy must be followed unless an exception has been made for a particular absence, and a written memo to this effect has been sent to the Manager.

If Lavish has questions about the nature or length of an employee's disability, a written certification from a physician or licensed health care professional may be required.

Excessive Absences

Lavish recognizes that there are times when an employee may have to exceed the number of personal/sick and vacation days they have accrued. While we understand that needs arise from time to time, *Lavish is a retail/service business and must be keep the salon staffed during hours of operation that are convenient for our customers.*

This policy is intended to cover emergency situations, not extra vacation days. Any absences in excess of an employee's personal/sick and vacation days must be reported in writing to Lavish management with an explanation of the reason for absence.

Any absences that exceed an employee's total number of personal/sick and vacation days will be deducted from his/her salary for that pay period. Any employee who misses more than 15 days in the course of a calendar year may, at the discretion of Lavish management, *forfeit his/her full-time employment status, including all benefits for the next calendar year.*

Employees who abuse this policy may be subject to disciplinary measures at the sole discretion of Lavish management, including immediate termination.

Leave of Absence without Pay

Should a situation arise that temporarily prevents an employee from working, he/she may be eligible for a personal Leave of absence without pay. In order to qualify for this leave, employees must have been employed for at least 1 year prior to the requested leave.

Any request for a leave of absence without pay must be submitted in writing as far in advance as possible and it will be reviewed on a case-by-case basis by Lavish management. The decision to approve or disapprove is based on the circumstances, the length of time requested, the employee's job performance and attendance/punctuality record, the reasons for the leave, the effect the employee's absence will have on Lavish, and the expectation that the employee will return to work when the leave expires.

Leaves of absence will be considered only after all vacation and personal time have been exhausted.

While on a personal unpaid leave of absence an employee's Health, Life, and Dental insurance may continue, provided the employee continues to pay the monthly premiums. Unemployment Insurance benefits cannot be collected while on a leave of absence without pay.

Upon returning from an unpaid Leave of Absence vacation and personal/sick days will be reinstated at the discretion of Lavish management. Generally speaking, any leave of absence more than 90 days will require an employee to begin accruing vacation and personal/sick days just like a new employee. Due to the nature of our business, Lavish cannot guarantee either that an employee's job will remain available or that a comparable position will exist when returning from an unpaid leave.

EMPLOYEE BENEFITS

Health Insurance

Individual Health Insurance, Life Insurance, and Dental Insurance are available for personal acquisition. See Lavish management for details.

Retirement Plan

We currently offer 401k benefits; eligibility begins after 90 days of employment for full-time employees.

Salon Services and Product Discounts

In order to encourage our employees to stay current with trends in the beauty industry, we at Lavish offer salon services and product discounts. After completing the initial employment period, employees of Lavish will have access to Haircuts for fee and chemical services at cost (currently \$10 per color application). **These fees will be paid prior to receiving any services.**

Access to these services will be restricted to **Monday, Tuesday and Wednesday only, before 4 p.m.**, and with the approval of Lavish management. **Front desk employees must not book their own services but have a member of management approve and book these services for them.** Front desk must have services performed on off days and times. These services are considered “bumpable” to meet client needs. **At no time will employees of Lavish be allowed to access salon services for themselves if it interferes with their client schedule.** All services must be completed and employee’s hair styled prior to servicing a client.

Immediate family members of employees at Lavish also have access to discounted services and products. **Immediate family members include mother, father, husband, wife, brother, sister and children.** **Family members may have access to salon and spa services including spray tans at a discounted rate of 20%. These services will be available Sunday-Wednesdays only** Immediate family members may purchase retail products at a 20% discount. Products must be paid for at the time of purchase and may not be left on an open ticket.

Should an employee desire to offer a service to anyone other than immediate family member, he/she must get *prior permission from Lavish management*. Such services may be offered on an employee’s day off, and approval for such services will be at the sole discretion of Lavish management. Under normal circumstances these services will not be approved during normal business hours.

Lavish exists in order to offer the best salon and spa services to our clients. In order to accomplish this mission, we must remain an appropriate level of profitability. This means that Lavish management reserves the right to determine whether an employee is overusing or abusing this benefit. Any employee who violates any part of this policy will be subject to appropriate disciplinary action, including suspension of this benefit; repeated violations may lead to immediate dismissal.

LEAVING LAVISH

Resignation

When an employee decides to leave for any reason, his/her supervisor and the Lavish management would like the opportunity to discuss the resignation before final action is taken. Lavish often finds during this conversation that another alternative may be better. If however, after full consideration the employee decides leave, it is requested that the employee provide Lavish with a written two-week advance notice period (bear in mind that vacation days or personal days may not be included in the two-week notice period). Lavish will not compensate employees for unused vacation or personal/sick days. If, as sometimes happens, the employee's supervisor wishes the employee to leave prior to the end of the employee's two-week notice, the employee may be paid for the remainder of that period.

Dismissals

Every Lavish employee has the status of "employee-at-will," meaning that no one has a contractual right, express or implied, to remain in Lavish's employ. Lavish may terminate an employee's employment, or an employee may terminate his/her employment, without cause, and with or without notice, at any time for any reason. Lavish will not compensate employees for unused vacation or personal/sick days. No supervisor or other representative of Lavish (except the President) has the authority to enter into any agreement for any specified period, or to make any agreement contrary to the above.

Any employee whose conduct, actions or performance violates or conflicts with Lavish's policies may be terminated immediately and without warning.

Disciplinary Action

All employees are expected to meet Lavish's standards of work performance. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency, customer service, client retention and general compliance with Lavish's policies and procedures.

If an employee does not meet these standards, Lavish may, under appropriate circumstances, take corrective action, other than immediate dismissal.

The intent of corrective action is to formally document problems while providing the employee with a reasonable time within which to improve performance. The process is designed to encourage development by providing employees with guidance in areas that need improvement such as poor work performance, attendance problems, personal conduct, general compliance with Lavish's policies and procedure and/or other disciplinary problems.

Written Warnings

The supervisor should discuss the problem and present a written warning to the employee in the presence of Lavish management. This should clearly identify the problem and outline a course of corrective action within a specific time frame. The employee should clearly understand both the corrective action and correspondence (i.e., termination) if the problem is not corrected or reoccurs.

The employee should acknowledge receipt of the written warning. Employees who have had formal written warnings are not eligible for salary increases, bonus awards, promotions or transfers during the warning period. Employees who receive three formal written warnings may be terminated immediately and without warning.

Final Paycheck

Employees leaving Lavish must return office keys before their final paycheck can be issued. This final paycheck will be mailed during the next normal pay period. If there are unpaid obligations to Lavish, the final paycheck will reflect the deductions.

Acknowledgement of New Hire Packet

I acknowledge that I have received a copy of the New Hire Packet. I agree to read it thoroughly. I agree that if there is any policy or provision that I do not understand I will seek clarification. I understand that Lavish is an “at will” employer and as such, employment with Lavish is not for a fixed term or definite period of time and may be terminated at the will of either party, with or without cause, and without prior notice. I understand that nothing contained in the New Hire Packet may be construed as creating a promise of future benefits or a binding contract with Lavish Salon and Spa for benefits or for any other purpose. I also understand that these policies and procedures are continually evaluated and may be amended, modified, or terminated at any time.

Please sign, date and return to Lavish management.

Date: _____

Signature: _____