

Employee Emergency Compensation Program

EMPLOYEE ACKNOWLEDGMENT OF "GOVERNMENT ASSISTANCE" PAY REDUCTION

In response to the economic crisis that is affecting all of us due to the coronavirus pandemic, [REDACTED] [REDACTED] (hereinafter referred to as "[REDACTED]") are hereby enacting the Employee Emergency Compensation Program ("EECP"). The EECP will become effective on paychecks distributed on April 6, 2020 (the "Effective Date" will be the payroll date that these checks represent") and will continue through at least the payroll distributed on April 20, 2020 (the "Initial Term").

[REDACTED] reserves the right to alter this program at will and in its sole discretion if it deems it is necessary to sustain business operations including but not limited to: (a) changing the terms of the EECP at any time including during the Initial Term; and (b) extending the EECP for subsequent two-week periods or until [REDACTED] Board of Directors declares the state of emergency over.

The EECP does not constitute a modification to an employment contract or the employee's status as an at-will employee.

As of the Effective Date, the following changes will be made and continue through the Initial Term and as long as the EECP is still in effect:

1. Employee acknowledges and agrees to a temporary compensation reduction that is in line with the assistance that it receives from the federal government related to the COVID-19 pandemic. Employee's base compensation rate will not be changed immediately but, to the extent that the federal government passes relief legislation that provides direct assistance to individuals, employee's compensation will be reduced by: (a) 100% of the government distribution for the individual; and (b) 50% of the government distribution for any dependent that the individual claims. This will be a one-time deduction unless the government extends the program. The deduction will happen as many times as the government decides to make these types of distributions. If an employee's compensation drops below zero for any two-week pay period due to the government distribution, the deduction will be split over two pay periods. By way of example only, if an individual is set to receive \$1,200 as an individual and \$500 for claiming one dependent, employee's compensation on the second payroll of the Initial Term will be reduced by \$1,450. The numbers in this example are only estimates based on assumptions. All specific deductions will be based on final dollar amounts set out in the federal legislation.
2. The following temporary changes regarding benefits and other compensation apply to all individuals not specifically exempted:
 - a. A freeze on all auto allowance and mileage reimbursement (except all eligible service personnel)
 - b. A freeze on all company 401k matching benefits
 - c. A freeze on all HSA matching benefits
 - d. A freeze on all Management bonuses – predicting losses for Q2 which will reduce bonuses

EMPLOYEE NAME: _____

EMPLOYEE SIGNATURE: _____

DATE: _____