

LGS Staffing Mutual Mediation and Arbitration Program

Labor Guys, LLC d.b.a. LGS Staffing (the “Company”) sincerely hopes that you will never have a dispute relating to your employment with the Company. However, we recognize that disputes sometimes arise relating to the employment relationship. We also recognize that not every dispute can be successfully resolved informally. The Company believes that it is in the best interests of the Company and its employees and clients to resolve work-related disputes in a forum that provides the fastest and fairest method for their resolution, taking into account the individual facts and circumstances of each disputed matter. Therefore, the Company has adopted and implemented this Mutual Mediation and Arbitration Program (the “MMAP”), which requires mandatory, binding arbitration of all workplace disputes (with limited exceptions, as discussed below). The MMAP also encourages, but does not require, a good-faith effort to resolve such disputes through mediation before going to arbitration.

Please take the time to read this program document. **IT APPLIES TO YOU.** It will govern any disputes between you and the Company (or its current or former employees or clients) that in any way arise out of or relate to your employment with the Company (except for the limited exceptions discussed below).

Covered Disputes

The capitalized term “Dispute” in the MMAP is defined as any and all legal and equitable claims and disputes of any nature arising under, out of, or relating to any aspect of an employee’s employment with the Company (including, without limitation, the assignment of the employee to one of the Company’s clients, the termination of any such assignment, and the termination of the employee’s employment with the Company); provided, however, that the term will not include (a) a claim for workers’ compensation benefits, (b) a claim for unemployment compensation benefits, (c) a claim for benefits under a plan governed by the Employee Retirement Income Security Act of 1974 that utilizes a procedure for the resolution of disputes under such plan, or (d) a claim that is expressly excluded from mandatory arbitration by federal statute.

The MMAP applies to all Company employees, regardless of length of service or status, and applies to all Disputes, whether they already exist today or arise in the future. Examples of the type of Disputes covered by the MMAP include, but are not limited to:

(a) claims by the Company against a current or former employee of the Company for fraud, conversion, or the misappropriation of trade secrets;

(b) claims by a current or former employee of the Company against (i) the Company (or its current or former officers, directors, owners, members, or employees) or (ii) a current or former client of the Company to which the employee is or was assigned to perform services by the Company (or such client’s current or former officers, directors, owners, members, or employees) for: wrongful termination; breach of contract; promissory estoppel; unjust enrichment; quantum meruit; fraud; employment discrimination, harassment, or retaliation; claims alleging violation of the Americans with Disabilities Act, the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Fair Labor Standards Act, or any other federal, state, or local laws relating to employment; federal, state, or local claims related to the payment of wages (including overtime pay); tort claims; common-law claims related to employment; or any other legal or equitable claims and causes of action recognized by local, state, or federal law or regulations; and

(c) claims involving the validity and interpretation of the MMAP (including, without limitation, whether or not a particular claim is subject to the MMAP).

Nothing in the MMAP is intended to (a) prohibit any employee of the Company from filing administrative charges/complaints with government agencies such as the National Labor Relations Board or the U.S. Equal Employment Opportunity Commission; (b) prohibit the Company or any employee of the Company from filing criminal charges in appropriate circumstances; or (c) dissuade employees of the Company from utilizing the Company’s internal policies to report suspected violations of the law or Company policy. Retaliation against an employee for using the MMAP is strictly prohibited, and any employee of the Company who engages in any such retaliation will be subject to appropriate disciplinary action.

Agreeing to the Terms of the MMAP

An employee agrees to be bound by the terms of the MMAP if he or she chooses to become employed by, or continue employment with, the Company after receiving a copy of the MMAP. An employee may also be presented with a separate Agreement to Mutual Mediation and Arbitration Program (the “Agreement”) for his or her signature. However, an employee’s employment or continued employment with the Company will constitute his or her agreement to the terms of the MMAP even in the absence of a signed Agreement from the employee.

Mediation and Arbitration

In the event that any Dispute arises, the parties to the Dispute are encouraged, but not required, to submit the Dispute to mediation under the MMAP. In the event that mediation does not successfully resolve a Dispute, or if the parties to the Dispute choose not to engage in mediation, the parties to the Dispute shall resolve the Dispute exclusively through final and binding arbitration before an experienced arbitrator pursuant to the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (the “AAA”) in effect at the time of the initiation of the Dispute. The current version of those rules is available at www.adr.org/rules (or a copy may be requested from Human Resources).

What is Mediation?

Mediation is an attempt to negotiate a solution to a Dispute before proceeding to the more formal arbitration process. Mediation involves the parties to a Dispute meeting with a neutral third party - the mediator - who will try to assist the parties in reaching a resolution of the Dispute. The MMAP encourages, but does not require, the parties to a Dispute to attempt to settle the Dispute through mediation before resorting to arbitration. Unless the parties to a Dispute otherwise agree on a mediator, the mediator will be selected with the assistance of the AAA pursuant to the above-referenced rules.

What is Arbitration?

Arbitration is a process in which a Dispute is presented to a neutral third party – the arbitrator – for a final and binding decision. There is no jury. The arbitrator makes his or her decision after all parties to a Dispute present their respective evidence and arguments. The arbitrator’s decision is final and binding on the parties to the Dispute. The prevailing party in arbitration can be awarded anything that he, she, or it might have received in a court of law or before an administrative adjudicative body. The arbitrator is also responsible for determining whether or not a particular claim or issue is a Dispute that is subject to arbitration under the MMAP.

Though arbitration is much less formal than a court proceeding, it is still an orderly proceeding that is governed by rules of procedure and legal standards of conduct. The process will allow for reasonable discovery by all parties to the Dispute. The arbitrator will render a written decision on the Dispute within 30 days after the arbitration hearing is concluded (and post-hearing briefs, if any, are submitted). Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Unless the parties to a Dispute agree otherwise, any mediation and any arbitration will take place in the county in which the employee pursuing the Dispute in question (or against whom the Dispute in question is being pursued) works for the Company (or last worked for the Company in the case of a former employee).

Implications

An employee’s decision to accept employment and/or to continue employment with the Company after receiving a copy of the MMAP constitutes his or her agreement to be bound by the MMAP. Likewise, the Company agrees to be bound by the MMAP. This mutual obligation means that both the Company and its employees are bound to use the MMAP as the only means of resolving any Disputes. By agreeing to arbitrate, both the Company and its employees are agreeing to use procedures in arbitration that may be materially different from the procedures that would apply in court or before an administrative adjudicative body. This mutual agreement to arbitrate Disputes also means that both the Company and its employees forego any right they may have to a Dispute decided by a jury.

Because the arbitration proceeding will be a traditional, bilateral arbitration, it also means that, notwithstanding any AAA rules to the contrary, both the Company and its employees forego and waive any right to join or consolidate Disputes in arbitration with others or to make collective or class action claims in arbitration (including as either a class representative or a member of a class). No arbitrator will have the authority to allow a Dispute to proceed in arbitration under the MMAP as a collective or class action or to grant class-wide relief. Similarly, all mediation will be between the Company and an employee on an individual basis.

No substantive remedies that otherwise would be available to the Company or its employees in a court of law or before an administrative adjudicative body will be forfeited by virtue of the MMAP. The MMAP will be governed by the Federal Arbitration Act, 9 U.S.C. § 1, *et seq.* The rights and obligations of the Company and its employees under the MMAP will inure to the benefit of, and be binding on, their respective successors and assigns.

A Dispute must be submitted to arbitration under the MMAP within the relevant statute(s) of limitations established by applicable law. Similarly, any administrative charge, claim, or complaint that is an administrative prerequisite to further legal action (*e.g.*, an EEOC charge) must also be filed with the appropriate government agency within the relevant statute(s) of limitations. Both the Company and its employees retain the right to assert the applicable statute(s) of limitations as a defense in arbitration (or in response to the filing of an administrative charge, claim, or complaint).

Except as otherwise provided by law or in the decision of the assigned arbitrator, the parties to a Dispute will each be responsible for the fees and costs of their own respective legal counsel, if any, as well as any other mediation or arbitration-related expenses and costs they each may incur (*e.g.*, costs associated with witnesses, depositions, or obtaining copies of transcripts). However, no current or former employee of the Company will be responsible for any administrative fees or costs of the mediator, the arbitrator, or the AAA. The Company has access to legal advice through its outside lawyers. A current or former employee of the Company may also consult with a lawyer of his or her choice. He or she is not required, however, to hire a lawyer to participate in mediation or arbitration under the MMAP.

The terms of the MMAP may be modified or terminated by the Company at any time by giving at least thirty (30) days' prior written notice of modification or termination to those current employees of the Company then covered by the MMAP. However, (a) no modification or termination will apply to any employee who is no longer employed by the Company as of the effective date of the modification or termination; (b) no modification will apply to any Dispute about which the Company had actual notice as of the effective date of the modification; and (c) no termination will apply to any Dispute that arose prior to the effective date of the termination.

Each of the terms of the MMAP is intended to be severable, and the invalidity or unenforceability of any provision will not affect the validity or enforceability of any other provision. However, if a court of competent jurisdiction determines, with respect to a particular Dispute, that the MMAP's class action waiver is unenforceable with respect to that particular Dispute, then the agreement between the parties to such Dispute to submit that particular Dispute to arbitration under this Program will be deemed terminated and of no further force or effect (subject to any appeal of the court's determination). No arbitrator will have the authority to determine that the MMAP's class action waiver is unenforceable.

Conclusion

The Company is proud of its strong relationship with its employees, and it is confident that most workplace issues can be handled either by your immediate supervisor or by a higher level of management. The MMAP is intended to compliment this relationship by allowing you and the Company to resolve any remaining Disputes in a quick, private, and final manner that benefits all of us.