



RED DIAMOND
— HOME LOANS —

Red Diamond
Employee
Handbook

Notice

The policies in this manual are to be considered guidelines. Red Diamond at its option, may change, delete, suspend or discontinue any part or parts of the policies in this manual at any time with or without prior notice. Employees shall not accrue eligibility for any benefits, rights, or privileges beyond the last day worked. No one other than a principle of Red Diamond may alter or modify any of the policies in this manual. Any such modification must be in writing. No statement or promise by a supervisor, manager, or department head may be interpreted as a change in policy nor will it constitute an agreement with an employee. Should any provision in this Employee Manual be found to be unenforceable and invalid, such finding will not invalidate the entire Employee Manual, but only the subject provision.

The effective date of this manual is March 21st, 2015 and replaces (supersedes) all other previous manuals for Red Diamond.

Red Diamond Guarantees

- Dedication to integrity, honesty, quality and superior service.
- The selection of people on the basis of character, attitude, ability, skill, and training, without discrimination with regard to age, sex, color, race, creed, national I origin, marital I status, political belief, or disability that does not prohibit performance of essential job functions.
- To respect the rights of each individual, and to treat all employees with courtesy and consideration.
- Mutual respect in our working relationship.
- Payment of all employees according to their effort and contribution to the success and improvement of the company.
- To continuously review working conditions, wages and employee benefits.
- All employees will be informed of the progress of Red Diamond, as well as each company's overall vision.
- To provide an attractive, comfortable, orderly and safe work environment.
- Promotion of employees on the basis of their ability and merit.
- To promote from within Red Diamond whenever possible.
- A spirit of friendliness and cooperation so that Red Diamond will continue to be a great place to work!

Anniversary Date

The first day you report to work is your "official" anniversary date. Your anniversary date may be used to compute various conditions and benefits.

At Will Employment

All employment and compensation with Red Diamond is "at will", which means that your employment can be terminated with or without cause, and with or without notice, at any time, at the option of either Red Diamond or yourself, except as otherwise provided by law.

Employment Classification

At the time of hire, you will be classified as either a full-time, part-time, commissioned, or temporary employee. Below is a brief description of each.

Full-Time Employee

Full-time employees are eligible for overtime pay with prior approval from Management. Unless otherwise specified, the benefits described in this Manual apply only to full-time employees; which include vacation, sick time, holiday pay, and any other benefits described by management.

Part-Time Employee

A part-time employee is considered anyone who works less than 32 hours per week. The temporary period will be for a specific time and the worker is paid only for time worked.

Commissioned Employee

Commission is defined as a sum of money that is paid to an employee upon completion of a task. Commission will be paid as a percentage of a loan generated by a Loan Officer.

Temporary Employee

Red Diamond may hire employees for specific periods of time or for the completion of a specific project. The job assignment, work schedule and duration of the position will be determined on an individual basis. Typically, a temporary position will not exceed six (6) months in duration, unless specifically extended by a written agreement. Temporary employees are not eligible for benefits.

Business Hours

Regular office hours are from 8:30a.m. - 5:30p.m. Monday through Friday. If you are using the office at any other time, please be aware of your need to be security conscious. We recommend you keep doors locked at all times after hours.

Client Relations

The success of our company depends upon the quality of the relationship between Red Diamond, its employees, clients, vendors and the general public. Our clients' impression of us and their interest and willingness to use our services is greatly formed by the people who serve them.

- Please handle clients in a courteous and respectful manner.
- Communicate quietly, pleasantly and respectfully with other employees. Maintain an atmosphere of professionalism while minimizing personal conversations.
- Follow up on client needs and questions promptly. Provide businesslike replies to inquiries and requests and perform all duties in an orderly and timely manner.

Confidential Information

As an employee of Red Diamond you are required to maintain confidentiality at all times, even after your employment ends. Any violation of confidentiality seriously injures Red Diamond reputation and effectiveness, and can result in financial and or criminal charges. Therefore, do not discuss Red Diamond business with anyone who is not a Red Diamond employee, and never discuss business transactions with anyone who does not have a direct association with the transaction.

If you are questioned by someone outside the company or your department and you are concerned about the appropriateness of giving them confidential information, remember that you are not required to answer. Instead, please refer the request to company management or to a principal. No one is permitted to remove or make copies of any Red Diamond records, reports, or documents without prior management approval. Because of its seriousness, disclosure of confidential information could lead to termination.

Crisis Suspension

If you commit any of the actions listed below, or any other action not specified but similarly serious, you will be suspended without pay pending the investigation of the situation. Following the investigation, you may be terminated without any previous disciplinary action having been taken.

- Theft
- Falsification of Company records
- Any known or unknown fraudulent loan origination activity
- Failure to follow security practices
- Conflict of interest
- Threat of, or the act of doing bodily harm
- Willful or negligent destruction of property
- Use and/or possession of intoxicants, drugs or narcotics
- Neglect of duty
- Refusal to perform assigned work or to follow a direct order

Disciplinary Action

Unacceptable behavior that does not lead to immediate dismissal (see next section for Dismissal) may be dealt with in the following manner:

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

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

To insure that Red Diamond's business is conducted properly and efficiently, you must conform to certain standards of attendance, conduct, work performance and other work rules and regulations.

When a problem arises, company management will coach and counsel you in developing an effective solution. If, however, you fail to respond to coaching or counseling, or an incident requires formal discipline, the following procedures will occur:

Step One: Verbal Reminder

Company management will meet with you to discuss the problem, making sure that you understand the nature of the violation and the expected remedy. The purpose of this conversation is to remind you of exactly the expectation of the rule or performance and also remind you that it is your responsibility to meet that expectation. An Acknowledgement of Warning will be noted in your personnel file.

Step Two: Written Reminder

If your performance does not improve, or if you are again in violation of Red Diamond's practices, rules or standards of conduct, the company management will discuss the problem with you, emphasizing the seriousness of the problem and the need for you to immediately remedy the problem.

An Acknowledgement of Written Warning will be added to your personnel file.

A written reminder will remain in effect for three (3) months.

Step Three: Termination

If your performance does not improve within the three (3) month period following a written reminder, or if you are again in violation of Red Diamond practices, rules or standards of conduct, you may be terminated.

Nothing in these Disciplinary Actions amends or supersedes the "at will" nature of your employment.

Dismissal

Employment and compensation with Red Diamond is "at will" in that you can be terminated with or without cause, and with or without notice, at any time, at the option of either Red Diamond or yourself.

If your performance is unsatisfactory due to lack of ability, failure to abide by Red Diamond rules or failure to fulfill the requirements of your job, you will be notified of the problem. If satisfactory change does not *occur*, you may be dismissed. Some incidents may result in immediate dismissal.

Equal Employment Opportunity

Red Diamond will provide equal employment opportunity without regard to *race*, color, *sex*, age, disability, religion, national origin, marital status, ancestry, political belief or activity, or status as a veteran.

The policy applies to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation, benefits, social and recreational programs, and all other conditions and privileges of employment in accordance with applicable federal, state, and local laws.

It is the policy of Red Diamond to comply with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA).

Red Diamond will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability.

Red Diamond will provide reasonable accommodation whenever necessary for all employees or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the duties and assignments connected with the job and provided that any accommodations made do not require significant difficulty or expense.

Equal employment opportunity notices are posted on appropriate employee bulletin boards as required by law. The notices summarize the rights of employees to equal opportunity employment and lists the names and addresses of the various government agencies.

Management is primarily responsible for seeing that Red Diamond's equal employment opportunity policies are implemented/ but all members of the staff share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly to everyone.

Any employees involved in discriminatory practices will be subject to immediate termination.

Harassment Policy

It is the goal of Red Diamond to provide a work environment that is pleasant, comfortable and free from intimidation, hostility or other offense that might interfere with work performance. Any sort of verbal/ physical or visual harassment will not be tolerated.

What is Harassment?

Harassment can take many forms. It may be, but is not limited to: words/ signs, jokes/ pranks/ intimidation, physical contact or violence. Harassment is not necessarily sexual in nature. Sexually harassing conduct may include unwelcome sexual advances/ requests for sexual favors or any other verbal or physical contact of a sexual nature that prevents an individual from effectively performing the duties of their position or creates an intimidating/ hostile or offensive working environment/ or when such conduct is made a condition of employment or compensation, either implicitly or explicitly.

Reporting Harassment

Any incidents of harassment must be immediately reported to management. Appropriate investigation and disciplinary action will be taken. All reports will be promptly investigated with regard to the privacy of everyone involved. Any employee found to have harassed a fellow employee or subordinate is subject

to sever disciplinary action or possible discharge.

Red Diamond will also take any additional action necessary to appropriately remedy the situation. No adverse employment action will be taken for any employee making a good faith report of alleged harassment.

Red Diamond accepts no liability for harassment of one employee by another employee. The individual who makes unwelcome advances, threatens or in any way harasses another employee is personally liable for such actions and their consequences. Red Diamond will not provide legal, financial, or any other assistance to an individual accused of harassment if a legal complaint is filed.

Proof of U.S. Citizenship and/or Right to Work

Federal regulations require that:

- Before becoming employed, all applicants must complete and sign Federal Form 1-9, Employment Eligibility Verification Form and
- All applicants who are hired need to present documents of identity and eligibility to work in the U.S. example: current driver's license and social security card

Trial Period

Your first Ninety (90) days of employment at Red Diamond is considered a trial period, and during that period you will not accrue benefits described in this Manual unless otherwise required by law. This trial period will be a time for getting to know your fellow employees, company management and the tasks involved in your position.

During this period, Red Diamond will evaluate your suitability for employment. At any time during your first ninety (90) days, you may resign without any detriment to your record. If, during this period, your work habits, attitude, attendance, and performance do not comply with our standards, we may release you.

Please understand that completion of the trial period does not guarantee continued employment for any specified period of time.

W-2'd Employees

As a W-2'd employee, Red Diamond is required by law to make certain deductions from your pay check each time one is prepared. Among these are your federal income taxes, contribution to Social Security and Medicare as required by law. These deductions will be itemized on your check stub. The amount of the deductions may depend on your earnings and on the information you furnish on your W-4 form

regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be reported to management to ensure proper credit for tax purposes.

Any other mandatory deductions taken from your paycheck, such as court-ordered attachments will be explained whenever Red Diamond is ordered to make such deductions.

Absence or Lateness

At times it may be necessary for you to be absent from work. Red Diamond is aware that unscheduled emergencies, illnesses or pressing personal business may arise.

If you are unable to report to work, or if you will arrive late, please contact a manager or principal within the company immediately. Provide the company as much time as possible to arrange for someone to cover your position until you arrive. If you are aware in advance that you will need to be absent, you are required to get prior approval from management and determine that the time requested does not interfere with company operations.

Absence from work for three (3) consecutive days without notifying company management will be considered voluntary resignation.