

## Employee Classifications

The following terms are used to describe employees and their employment status:

**Exempt Employees** - Employees whose positions meet specific tests established by the Federal Labor Standards Act ("FLSA") and Massachusetts state law. In general, exempt employees are those engaged in executive, managerial, high-level administrative and professional jobs that are paid a fixed salary and perform certain duties. In addition, certain commissioned sales employees and highly paid computer professionals are exempt. Exempt employees are not subject to the minimum wage and overtime laws.

**Nonexempt Employees** - Employees whose positions do not meet specific tests established by the FLSA and Massachusetts state law. All employees who are covered by the federal or state minimum wage and overtime laws are considered nonexempt. Employees working in nonexempt jobs are entitled to be paid at least the minimum wage per hour and a premium for overtime.

**Full-Time Employees** - Employees who are not temporary employees, independent contractors, or independent consultants and who are regularly scheduled to work a schedule of 30 hours per work week.

**Part-Time Employees** - Employees who are not temporary employees, independent contractors, or independent consultants and who are regularly scheduled to work less than 30 hours per work week.

**Temporary Employees** - Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project. Employment assignments in this category are of limited duration and the temporary employee can be let go before the end of the defined period. Short term assignments generally are periods of three (3) months or less, however, such assignments may be extended. All Temporary employees are at-will regardless of the anticipated duration of the assignment (see Employment-at-Will Policy). Temporary employees retain that status unless and until notified in writing of a change.

**Independent Contractor or Consultant** - These individuals are not employees of the Company and are self-employed. An independent contractor or consultant is engaged to perform a task according to his/her own methods and is subject to control and direction only as to the results to be accomplished. Independent contractors or consultants are not entitled to benefits.

Each employee will be advised of his or her status at the time of hire and any change in status. Regardless of the employee's status, the employee is employed at-will and the employment

relationship can be terminated by the Company or the employee at any time, with or without cause and with or without notice.