

Employee Manual

The policies and procedures are designed to provide clear guidelines and expectations for the administration of our company. The company reserves the right to change these policies and procedures at any time – and without notice.

No policy is intended as a guarantee of continuity of benefits or employment rights. PDX Pharmaceuticals, Inc. is an employment-at-will company. Therefore, either an employee or the company may terminate the employment relationship at any time, with or without notice and with or without cause.

If there are any questions regarding this manual please ask your supervisor for clarification.

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Welcome

Hello and welcome! Thank you for joining PDX Pharmaceuticals. Our company strives to improve healthcare outcomes using our nanotechnology platform and chemical and biology expertises. We can't wait to see what you will achieve with us.

This handbook is a set of guidelines and expectations that we have for you as a member of our team. It is meant as a guide to help answer common questions regarding employment and to give you an idea of what your work environment will look like.

Please read this employee handbook carefully and consult it whenever you need to. Once again, welcome to PDX Pharmaceuticals! We are excited to have you join our team.

Wassana Yantasee, PhD, MBA
President/CEO
PDX Pharmaceuticals, Inc.

Getting to know our company

PDX Pharmaceuticals aspires to substantially improve health care by the development of chemically modified nanomaterials for delivery of siRNA, drugs, and immunotherapy. Our company was established in 2010, supported by the Biomedical Engineering Department of Oregon Health and Science University (OHSU) School of Medicine.

Wassana Yantasee, PhD, MBA, serves as the company's President and CEO. She is a professor in Biomedical Engineering at OHSU and an Oregon Nanomedicine Signature Researcher. She founded PDX Pharmaceuticals in September 2010. Prof. Yantasee has over 15 years of experience working with nanomaterials and their biointerfaces and has served as the PI for many National Institutes of Health (NIH) grants and contracts.

Worapol Ngamcherdtrakul, PhD, is the Principal Scientist and Chief Operating Officer (COO). The focus of his PhD dissertation was to develop a mesoporous silica nanoparticle into a carrier for siRNA delivery to treat breast cancer. He has been the contact PI for grants from the NIH.

Employment basics

In this section, we explain our employee contract types and define our basic employment policies.

Employment contract types

Full-time employees work at least 35 hours per week.

Part-time employees are those who work fewer than 35 hours per week.

Equal opportunity employment

PDX Pharmaceuticals is an equal opportunity employer. It is PDX Pharmaceutical's policy to treat all employees and job applicants based on their merit, qualifications and abilities without regard to their sex/gender, gender expression, pregnancy status, sexual orientation, race/color, religion, national origin, age marital status, disability, veteran status, genetic information or on the basis of any other legally protected status.

We want all employees, including executives, to treat others with respect and professionalism. In practice, this means that we:

- Hire and promote people based on skills, experience or potential and try to reduce bias in every process (e.g., through structured interviews.)

- Make accommodations to help people with disabilities move about safely on our premises and use our products, services and equipment.
- Use inclusive, diversity-sensitive language in all official documents, signs and job ads.
- Conduct diversity and communication training.

PDX Pharmaceuticals is responsible for creating an atmosphere free of discrimination and harassment. Further, all employees are responsible for respecting the rights of their coworkers and strictly adhering to the letter and spirit of this policy.

Workplace policies

Confidentiality and research protection

This policy aims to ensure that information obtained and research conducted at PDX Pharmaceuticals remains confidential in order to protect the company, employees, collaborators, and investors of PDX Pharmaceuticals.

As a general rule, information or research that is not published in a peer review journal is confidential. Sharing of unpublished information with any person outside of PDX Pharmaceuticals is strictly prohibited, unless permission is obtained directly from the President. This includes sharing ideas or strategies discussed within PDX Pharmaceuticals.

Examples of confidential information includes, but not limited to:

- Unpublished data
- Patents, formulas or new technologies
- Data entrusted to PDX Pharmaceuticals by external parties
- Pricing/marketing and other undisclosed strategies
- Documents and processes explicitly marked as confidential
- Unpublished goals, forecasts and initiatives

Research ethics policy

We strive to ensure that scientific data generated is rigorous and unbiased, thus PDX Pharmaceuticals has adopted a zero tolerance policy for unethical research conduct. As defined by the Office of Research Integrity (<https://ori.hhs.gov>), research misconduct

pertains to the “fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results.” Fabrication is defined as the making up of data or results and recording or reporting them. Falsification is manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record. Plagiarism is the appropriation of another person's ideas, processes, results, or words without giving appropriate credit. Honest error or differences of opinion is not research misconduct (Office of Research Integrity). If you suspect that research ethics is compromised, you are obligated to report to the President immediately. Failure to adhere to ethical research conduct or failure to report unethical conduct may lead to disciplinary action, up to and including immediate termination of employment.

Smoke and vape-free policy

PDX Pharmaceuticals is committed to providing a safe and healthy workplace and to promoting the health and well-being of its employees. As such, it is the policy of PDX Pharmaceuticals to prohibit smoking and vaping on all company premises. Smoking is defined as the act of inhaling and exhaling the fumes of burning substance, including tobacco and marijuana. Vaping refers to the use electronic smoking devices such as e-cigarettes and e-cigars. This policy applies to areas of buildings occupied by company employees, and company-sponsored offsite conferences and meetings.

Drug and alcohol policy

PDX Pharmaceuticals recognizes that alcohol/drug use and abuse negatively affects the company, the employee, job performance and co-workers. Consequently, PDX Pharmaceuticals has established safeguards against drug and alcohol abuse. This drug and alcohol policy prohibits the use, possession or sale of drugs on company premises and regulates the consumption of alcohol.

Impairment:

No employee shall report for work or work impaired by any substance that is legal or illegal. “Impaired” means under the influence of a substance such that the employee’s senses or judgment are affected.

Possession:

No employee at any work site will possess any quantity of any substance, legal or illegal, which could cause impaired performance with the exception of prescribed medications. Possession means to have a drug or drugs either in or on an employee or in areas entrusted to the employee such as desks and company vehicles.

Alcohol:

Employees are prohibited from being under the influence of alcohol during working hours. Employees are permitted to consume alcohol in moderation while in approved business meetings or social gatherings.

Alcohol and Drug Testing:

PDX Pharmaceuticals will not implement drug and alcohol tests for employees/candidates. However, if PDX Pharmaceuticals has a reasonable suspicion of drug or alcohol use, PDX Pharmaceuticals may require a test to ensure there was no substance abuse involved. Failure to take the test may result in disciplinary action including termination of employment.

Dealing with addiction:

Alcohol and drug addiction can negatively affect employees, co-workers, and the company as a whole. To ensure a healthy lifestyle for our employees, PDX Pharmaceuticals offers a Wellness Reimbursement Program, where funds (\$75 per month) can be used to help employees overcome addiction. We encourage employees suffering from addiction to seek immediate help.

Discrimination and harassment

PDX Pharmaceuticals 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 unlawful discriminatory practices, including discrimination or sexual harassment. PDX Pharmaceuticals expects that all relationships among persons in the company will be business-like and free of bias, prejudice and harassment.

PDX Pharmaceuticals has developed this policy to ensure that all its employees can work in an environment free from unlawful harassment, discrimination and retaliation. PDX Pharmaceuticals will make every reasonable effort to ensure that all concerned are familiar with these policies and are aware that any complaint in violation of such policies will be investigated and resolved appropriately.

Discrimination

PDX Pharmaceuticals does not discriminate in employment opportunities or practices on the basis of race, color, religion, disability, national origin, genetic information, sex (including pregnancy), age, sexual orientation, gender (including gender identity and expression), marital status, protected veterans status, citizenship status or any other characteristic protected by applicable law.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of the President. Employees can voice concerns and submit reports without fear of retaliation. Any employee found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Sexual harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, "sexual harassment" is defined, as in 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:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment.
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual.
- 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 can encompass any sexual attention that is unwelcome. Examples of verbal or physical conduct prohibited by this Policy include, but are not limited to:

- A pattern of conduct (not legitimately related to the subject matter) that causes discomfort or embarrassment including: (1) comments of a sexual nature; (2) sexually explicit statements, questions, jokes, or anecdotes; (3) touching, patting, hugging, brushing against a person's body, or repeated or unwanted staring; (4) remarks about sexual activity, experience, or orientation; and/or (5) display of inappropriate sexual materials in a location where others can see it; when such conduct, comments, actions or materials unreasonably interfere with a person's work, receipt of services, or academic activities;
- Direct propositions of a sexual nature and/or subtle pressure for sexual activity which is unwelcome and unreasonably interferes with a person's work, receipt of services, or activities;
- Direct or implied threats that submission to sexual advances will be a condition of employment, work status, receipt of services, promotion, or letters of recommendation;
- Physical sexual assault.

Harassment

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, marital status, citizenship, genetic information, or any other characteristic protected by law, or that of his or her relatives, friends or associates, and that:

- has the purpose or effect of creating an intimidating, hostile or offensive work environment,
- has the purpose or effect of unreasonably interfering with an individual's work performance,
- otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment by e-mail, phone (including voice messages), text messages, social networking sites or other means.

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.

Reporting an Incident of Harassment or Discrimination

PDX Pharmaceuticals encourages reporting of all perceived incidents of discrimination or harassment, regardless of the offender's identity or position. If you believe that you have experienced or observed any harassment or discrimination, you are expected and required to bring the matter to the attention of the President as soon as possible. If the President is involved in the matter, you are expected and required to bring the matter to the attention of the highest-ranking leader not involved in the matter.

In addition, PDX Pharmaceuticals encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and to request that it be discontinued. Often this action alone will resolve the problem. PDX Pharmaceuticals recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

All complaints and reports will be promptly and impartially investigated by a neutral outside party and will be kept confidential to the extent possible. If conduct in violation of

this policy is found to have occurred, PDX Pharmaceuticals will take prompt, appropriate corrective action, and any employee found to have violated this policy will be subject to disciplinary action, up to and including termination. Further, PDX Pharmaceuticals prohibits retaliation in any way against any employee because the employee has made a good-faith complaint or report pursuant to this policy.

Any reported allegations of harassment or discrimination will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Non-retaliation: PDX Pharmaceuticals prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports.

Confidentiality: To the extent possible, PDX Pharmaceuticals treats as confidential all information received in connection with reports of harassment. It may become necessary, however, to disclose particulars in the course of the investigation. All individuals who participate in an investigation have an obligation to maintain confidentiality of the matters discussed.

False Complaints: It is a violation of this policy for anyone to make an intentionally false accusation of sexual harassment. Any employee who is found to have made an intentionally false accusation of sexual harassment will be subject to disciplinary action.

Corrective Action: Where non-discrimination or any form of harassment is found, steps will be taken to ensure that the harassment is stopped immediately. Appropriate corrective measures may range from counseling, verbal, or written reprimands, suspensions, or other action, up to and including dismissal.

Employee Code of Conduct

Dress code

Our company's official dress code is casual. However, an employee's position may also inform how they should dress. If you frequently work in the laboratory, long pants and closed toed shoes are required for your protection. We expect clean and professional attire. We also respect and permit grooming styles, clothing and accessories that are dictated by religious beliefs, ethnicity or disability.

Cyber security and digital devices

We recognize that use of the Internet and e-mail is necessary in the workplace, and employees are encouraged to use the Internet and e-mail systems responsibly, as unacceptable use can place PDX Pharmaceuticals and others at risk.

Internet and email usage

We expect you to use technology responsibly and productively as necessary for your job. Internet access and e-mail use is for job-related activities; however, minimal personal use is acceptable.

You may not use PDX Pharmaceutical's Internet, e-mail or other electronic communications to:

- Visit potentially dangerous websites that can compromise our network and computers' safety.
- Transmit, retrieve or store any communications or other content of a defamatory, discriminatory, harassing or pornographic nature.
- Initiate or distribute messages with derogatory or inflammatory remarks about an individual's race, age, disability, religion, national origin, physical attributes or sexual preference
- Harassment of any kind.
- Disparaging, abusive, profane or offensive language and any illegal activities—including piracy, cracking, extortion, blackmail, copyright infringement and unauthorized access to any computers on the Internet or e-mail.
- Use computer systems in a way that disrupts its use by others. This includes sending or receiving excessive numbers of large files and spamming

Social media

Using personal social media at work is permitted, if used responsibly and productively. We ask you to:

- discipline yourself, avoid being sidetracked by social media platforms
- not to use your personal account to represent our company
- avoid sharing intellectual property or confidentiality information
- be respectful, avoid any defamatory, offensive or derogatory content.

When representing PDX pharmaceuticals through social media, we expect you to protect our image and reputation, you should:

- be responsible, respectful, polite and patient
- avoid speaking on matters outside your field of expertise when possible
- follow confidentiality, and protect our intellectual property
- correct or remove any misleading or false content as quickly as possible

Copyrighted materials belonging to entities other than PDX Pharmaceuticals may not be transmitted by employees on the company's network without permission of the copyright holder.

Conflict of interest

We expect you to be vigilant to spot circumstances that create conflicts of interest, either to yourself or for your direct reports. Follow our policies and always act in our company's best interests. Whenever possible, do not let personal or financial interests get in the way of your job. If you are experiencing an ethical dilemma, talk to the President and we will try to help you resolve it.

We comply with the NIH's requirements of 42 CFR Part 50, Subpart F, "Responsibility of Applicants for Promoting Objectivity in Research for which PHS Funding is sought." This subpart promotes objectivity in research by establishing standards to ensure that the design, conduct, and reporting of research funded under PHS grants or cooperative agreements will not be biased by any conflicting financial interest of an investigator. More information please refer to Financial Conflicts of Interest (FCOI) Policy for PDX Pharmaceuticals (<http://www.pdxpharm.com/financial-conflicts-of-interest-fcoi-policy/>)

Employee relationships

We want to ensure that relationships between employees are appropriate and harmonious. We outline our guidelines and we ask you to always behave professionally.

Fraternization

Fraternization refers to dating or being friends with your colleagues. In this policy, "dating" equals consensual romantic relationships and sexual relations. Non-consensual relationships constitute sexual violence and we prohibit them explicitly.

Dating colleagues

If you start dating a colleague, we expect you to maintain professionalism and keep personal discussions outside of our workplace. You are also obliged to respect your colleagues who date each other. We will not tolerate sexual jokes, malicious gossip and improper comments. If you witness this kind of behavior, please report it to the COO.

Dating managers

To avoid accusations of favoritism, abuse of authority and sexual harassment, supervisors must not date their direct reports. This restriction extends to every manager above an employee.

Friendships at work

Employees who work together may naturally form friendships either in or outside of the workplace. We encourage this relationship between peers, as it can help you communicate and collaborate, but we expect you to focus on your work and keep personal disputes outside of our workplace.

Employment of relatives

Everyone in our company should be hired, recognized or promoted because of their skills, character, and work ethic. We would not like to see phenomena of nepotism, favoritism or conflicts of interest, so we will place some restrictions on hiring employees' relatives. As an employee, you can refer your relatives to work with our company. Here are our only restrictions:

- You must not be involved in a supervisory/reporting relationship with a relative.
- You cannot be transferred, promoted or hired inside a reporting relationship with a relative.
- You cannot be part of a hiring committee, when your relative is interviewed for that position.

Workplace visitors

If you want to invite a visitor to our offices, please ask for permission from the COO first. Also, inform your colleges of your visitor's arrival. When you have office visitors, you also have responsibilities. You should:

- Always tend to your visitors (especially when they are underage.)

- Keep your visitors away from areas where there are dangerous machines, chemicals, confidential records or sensitive equipment.
- Prevent your visitors from proselytizing your colleagues, gathering donations or requesting participation in activities while on our premises.

Solicitation and distribution

Solicitation is any form of requesting money, support or participation for products, groups, organizations or causes which are unrelated to our company (e.g. religious proselytism, asking for petition signatures). Distribution means disseminating literature or material for commercial or political purposes.

We don't allow solicitation and distribution by non-employees in our workplace. As an employee, you may solicit from your colleagues only when you want to:

- Ask colleagues to help organize events for another employee (e.g. adoption/birth of a child, promotion, retiring.)
- Seek support for a cause, charity or fundraising event sponsored, funded, organized or authorized by our company.
- Invite colleagues to employee activities for an authorized non-business purpose (e.g. recreation, volunteering.)
- Ask colleagues to participate in employment-related activities or groups protected by law (e.g. trade unions.)
- Engage in any other activity or speech protected by law.

In all cases, we ask that you do not disturb or distract colleagues from their work.

Payroll

We pay your salary or wage biweekly by direct deposit or checks. If you are an hourly employee, you should be diligent in time recording and reporting, so we can accurately calculate your pay.

Direct Deposit

Funds will be deposited into the account as of the pay date (or for banking holidays, the next business day). All employees will receive a paycheck record on payday.

Paychecks may also be mailed to or hand-delivered to the employee, unless prior written consent has been given.

Payroll Deductions

The following mandatory deductions will be made from every employee's gross wages:

- Federal income tax
- Social Security FICA tax
- Applicable city and state taxes
- Other employee authorized deductions

Every employee must fill out and sign a federal withholding allowance certificate (IRS Form W-4) on or before his or her first day on the job. This form must be completed in accordance with federal regulations. The employee may fill out a new W-4 at any time when his or her circumstances change.

Employees are expected to comply with the instructions on Form W-4. Questions regarding the propriety of claimed deductions may be referred to the IRS in certain circumstances.

Pay Advances

The Company is not in a position to make loans or grant advances against future pay. Employees are encouraged to make use of a credit union, which provides fair & reasonable financial services. Exceptions could be considered in cases of emergency, but are not guaranteed.

Performance Review and Change in Compensation

Employee performance reviews are generally performed annually. A decision relating to the employee's change in compensation will be made annually or biannually by the supervisor and President and is typically related to employee's performance (merit-base). It is non-negotiable.

Performance Improvement

All employee activities during work are expected to contribute to the benefit of the Company. Performance improvement may be suggested in case of unsatisfactory employee performance or rule violations. Performance improvement may include:

- Verbal counseling – The supervisor may warn the employee about unsatisfactory performance. The employee may be asked to acknowledge what has been discussed. A supervisor will document the verbal counseling event.

- Written counseling – The supervisor may give written warning. The warning shall indicate that termination may result if improvement is not observed. Written counseling becomes part of the employee’s personnel file.

Benefits

Benefits are offered to all employees. In this section, we describe the benefits.

Total compensation for employees includes base salary, benefits (including but not limited to employer’s matching retirement plan contribution, medical insurance premium reimbursement, etc.), and paid time off (vacation days, sick days, and holidays).

Benefits are scaled with FTE. However, part-time employees do not earn or accrue any paid time off.

If the employee opts out or is ineligible for the benefits, they will get cash benefit that is a fixed percentage of the base salary (e.g., refer to the offer letter for total compensation). However, if the employee takes part in any benefit programs, part of the cash benefits will be withheld to support these programs. Full-time employees will sign a form to participate in or opt out of any benefit program and to acknowledge the final amount being withheld from their cash benefit by December 27th of each year or within 30 days of qualifying life events as defined by <https://www.healthcare.gov/glossary/qualifying-life-event/> for current employees, or within the first month of employment for a new employee. Changes to the benefit structure may take up to a month to implement.

Employee health

Employee health is important to us. To allow the flexibility for employees to select their own medical insurance plans, we offer employee aged 25 years and above the Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) facilitated by Take Command Health that provides additional health coverage benefits through reimbursement of premiums for qualified health insurance coverage. The reimbursement is for premiums only and not medical expense. QSEHRA Employee notice will be distributed to employees every year in December.

We have also established non-smoking and substance abuse policies to protect employee health. We will create a workplace with minimal noise and good lighting and offer Wellness Reimbursement Program.

Wellness Reimbursement Program

This program is eligible to both part-time and full-time employees. This program is designed to encourage and support a well-rounded healthy lifestyle. The program

covers a variety of eligible wellness activities for gym memberships, fitness equipment, addiction management, and other eligible health-related expenses that are not covered by standard health insurances. Through the wellness reimbursement program, each employee will be eligible to receive up to \$75.00 USD per calendar month in reimbursements for eligible activities. This allowance accrues over the course of the year, but does not roll over from year-to-year. Please see our “Wellness Reimbursement Program” document for additional information regarding which activities qualify for the program, how to submit for reimbursement, and how to sign up for the program.

Workers’ Compensation Insurance

PDX Pharmaceuticals insures all employees against accidental injuries occurring on the job, in accordance with the Oregon Workers’ Compensation Law. This insurance is not considered taxable income. Employees must report all work-related accidents or illnesses immediately to their supervisor.

Employees’ business expenses

There are some expenses that we will pay directly on your behalf (e.g. hotel rooms for work-related travel). However, we ask you to keep track and report on those reimbursable expenses that you pay yourself. We reimburse employee expenses that are related to:

- Business travel
- Outings with business partners or colleagues.
- Etc.

Not all travel expenses are reimbursable, and all of them require prior approval from the President or COO. Please keep receipts for all reimbursable expenses. You can submit them to the COO and other required forms within *one month* after the date of each event/trip. If the COO approves your expenses, you will receive your reimbursement within *two* pay periods *by check*.

Company-issued equipment

As an employee, you may receive company laptop or other device. Unless otherwise mentioned in your contract, any equipment we offer belongs to our company and you may not sell it or give it away. You are also responsible for keeping our equipment safe and in as good condition as possible. If your equipment breaks or malfunctions, let us know so we can arrange to get it repaired.

If you are part of our corporate cell phone plan, please use your phone within our plan's restraints. You may have to pay any extra charges yourself.

Security of company issued devices

We advise you to keep your company-issued computer, tablet and cell phone secure. You can do this if you:

- Keep all devices password-protected.
- Ensure you do not leave your devices unattended.
- Install security updates for browsers and other systems as soon as updates are available.
- Log into company accounts and systems through secure and private networks only.
- Follow all instructions for disk encryption, anti-malware protection and password management that you received along with your equipment.

Time

In this section, we explain our provisions for your working hours and time off. We include three types of leave and holidays.

Working hours

PDX Pharmaceuticals' normal operation is between 9 a.m. to 6 p.m. on weekdays. You may come to work at any time depending on your team's needs. Occasional days may require longer hours or require you to start earlier than usual. For these longer days, you can typically leave early the day before or after.

Vacation

Employees receive at least 40 hours of vacation per anniversary year. Your vacation time accrual begins the day you join our company. You can take your accrued vacation time at any time after your first month with us.

If you want to use vacation time, send a request to the COO and let your colleagues know when you will be using vacation time as far in advance as possible (at least 2 weeks). You do not have to specify a reason for requesting vacation time. The smallest increment of time, which can be used for vacation time, is 1 hour.

Vacation time is accruable with a cap at 160 hours. We encourage you to use your time off throughout the year. If you leave our company, you will not be paid out for accrued vacation time.

Holidays

For full-time employees, PDX Pharmaceuticals observes and provides the following paid holidays:

- New Year's Day
- Martin Luther King Day
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

If a holiday falls on a day when our company doesn't operate (e.g. Sunday), we will observe that holiday on the closest business day.

Our company offers one additional 'floating day', which you can take as a holiday either on the day after Thanksgiving, Christmas Eve, or New Year's Eve. If you want to observe a religious holiday that isn't included in our list, you may use your vacation time.

Employees on two consecutive weeks or more of unpaid-leave will not be paid for holidays.

Working on a holiday

These holidays are considered "off-days" for most employees. If you need a team member to work on a holiday, inform them at least three days in advance.

If you work on a holiday, you will be given an additional day of paid time off that you may take within 3 months after that holiday.

Sick leave

In compliance with the Oregon Paid Sick Leave Law, PDX Pharmaceuticals allows employees to earn and use up to 40 hours of protected sick time each anniversary year. Your offer letter may provide for additional sick leave days.

Sick leave can be used for the following purposes:

- To care for the employee or the employee's family member with a mental or physical illness, injury, or health condition, need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition, or need for preventive medical care;
- To care for an infant or newly adopted child under 18 years of age, or a newly placed foster child under 18 years of age, or an adopted or foster child older than 18 years of age if the child is incapable of self-care because of a mental or physical disability, completed within 12 months after birth or placement of the child;
- To recover from or seek treatment for a health condition of the employee that renders the employee unable to perform at least one of the essential functions of the employee's regular position;
- Absences associated with the death of a family member by:
 - o Attending the funeral or alternative to a funeral of the family member;
 - o Making arrangements necessitated by the death of the family member; or
 - o Grieving the death of the family member;
- Absences related to domestic violence, harassment, sexual assault, or stalking:
 - o To seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's minor child or dependent, including preparing for and participating in protective order proceedings or other civil or criminal legal proceedings related to domestic violence, harassment, sexual assault or stalking;
 - o To seek medical treatment for or to recover from injuries caused by domestic violence or sexual assault to or harassment or stalking of the eligible employee or the employee's minor child or dependent;
 - o To obtain, or to assist a minor child or dependent in obtaining, counseling from a licensed mental health professional related to an experience of domestic violence, harassment, sexual assault, or stalking;
 - o To obtain services from a victim services provider for the eligible employee or the employee's minor child or dependent; or
 - o To relocate or take steps to secure an existing home to ensure the health and safety of the eligible employee or the employee's minor child or dependent;
- In the event of a public health emergency, including but not limited to:

- o Closure of the employee's place of business, or the school or place of care of the employee's child, by order of a public official due to a public health emergency;
- o A determination by a lawful public health authority or a health care provider that the presence of the employee or the family member of the employee in the community would jeopardize the health of others; or
- o The exclusion of the employee from workplace under any law or rule that requires the employer to exclude the employee from the workplace for health reasons.

PDX Pharmaceuticals encourages you to use your sick days if you have the flu or any other contagious disease.

Sick days are accruable up to a cap of 10 days. Unused sick leave will not be cashed out upon termination.

If you need to use sick time, please make every reasonable attempt to inform the COO or President as soon as possible.

PDX Pharmaceuticals is allowed by Oregon Law to request medical verification (e.g., a physician's note or other accepted medical certification) if an employee takes more than three consecutively scheduled workdays of sick time. If the need for sick time is foreseeable and is projected to last more than three consecutively scheduled workdays, PDX Pharmaceuticals may require that the employee provide medical verification before the sick time commences or as soon as otherwise practical. In addition, PDX Pharmaceuticals may also require medical verification if there is sufficient evidence to suspect that an employee is abusing sick time, including engaging in a pattern of absenteeism, regardless of whether the employee has used sick time for more than three consecutive days.

NOTE: PDX Pharmaceuticals shall pay any reasonable costs for providing medical verification or certification required under this section, including lost wages that are not paid under a health benefit plan in which the employee is enrolled.

An employer may not require that the verification or certification explain the nature of the illness or details related to domestic violence, sexual assault, harassment, or stalking that necessitates the use of sick time.

Long-term illness

Unpaid leave is allowed upon approval. Please set up a time to discuss this with the President or COO if you will be needing additional time to recover from a long-term illness.

Bereavement leave

Losing a loved one is traumatizing. If this happens to you while you work with us, we want to support you and give you time to cope and mourn. You can use vacation time or sick time to:

- Arrange a funeral or memorial service.
- Attend a funeral or memorial service.
- Resolve matters of inheritance.
- Fulfill other family obligations.
- Mourn.

Please inform the COO and colleagues of how long you will be gone on leave.

Parental leave

Paternity and maternity leave

PDX Pharmaceuticals has fewer than 25 employees and does not provide additional paid time-off for parental leave. Unpaid leave can be allowed for eligible employees upon approval. If you are about to be a new parent (either through childbirth or adoption), talk to the President/COO to arrange your leave. Please give us at least 30-day notice before your leave begins. Eligible employees must have been employed for at least 180 days and also work at least an average of 25 hours a week during the 180 days before leave begins. Employers are allowed to use their paid leave such as sick leave and vacation leave at the beginning of parental leave.

Leaving our company

In this section, we describe our procedures regarding resignation and termination of our employees

Resignation

You resign when you voluntarily inform the President and COO that you will stop working for our company. We also consider you resigned if you don't come to work for three consecutive days without notice, absent extenuating circumstances.

You are not obliged to give us advance notice before resigning. But, for efficiency's sake, and to make sure our workplace runs smoothly, we ask that you give at least two

weeks' notice, if possible. If you hold a highly specialized or executive position, we ask that you give us at least a month's notice, when possible.

We ask that you submit a written and signed notice of resignation for our records. We will reply with an acceptance of resignation letter within two days. The President and COO will inform the rest of the company that you are resigning if you haven't already done so. Whether you want to announce your resignation to your team is up to you, but we encourage you to be open.

References

PDX Pharmaceuticals may provide references for employees who are laid off or who resign. Please ask the COO for more information.

Policy revision

We will always strive for fairness and equal opportunity. As laws and our environment change, we may revise and modify some of our policies.

We have established an annual revision of our handbook to bring it up to date with legislation and employment trends. We also ask you to contact the COO if you spot any inconsistencies or mistakes. In addition, if you have any ideas about how to improve our workplace, we are happy to hear them.

Employee acknowledgment

Please sign to acknowledge that you have read this handbook and that you are committed to following our policies. If you need any clarifications, feel free to ask the COO.

Date: _____

Signature: _____

Print name: _____