**EMPLOYEE ACKNOWLEDGMENT
ARBITRATION AGREEMENT**

Any and all disputes, controversies or claims not settled in accordance with the foregoing procedures and arising out of or relating to this employment handbook, your employment or the termination of your employment shall be settled by binding arbitration before an impartial arbitrator unless otherwise prohibited by applicable law. This provision shall apply to any and all such disputes, controversies or claims whether asserted individually by the employee against the Company and/or against any employee, officer, alleged agent, director or affiliate of the Company with regard to any matter arising out of your employment or the termination of your employment including, but not limited to, any enforceability or breach of this employment handbook or any purported employment agreement, and/or any claim or controversy arising out of the relationship (or the nature of the relationship) or the commencement or termination of that relationship, including but not limited to, claims for violation of a state or federal statute and/or for breach of covenant, breach of an implied covenant of good faith and fair dealing, wrongful termination, breach of contract, or intentional infliction *of* emotional distress, defamation, breach of right of privacy, interference with advantageous or contractual relations, conspiracy or other tort claims of any kind. Claims for discrimination, harassment, and/or retaliation arising under Title VII of the Federal Civil Rights Act of 1964, as amended Section 42 U.S.C. sections 2000(e) et.seq. and the California Fair Employment and Housing Act, California Government Code sections 12940-12950, inclusive, California Labor Code, and the Age Discrimination in Employment Act, 29 U.S.C. section 623, are subject to the provisions of this arbitration agreement. The arbitration provisions of this Agreement shall provide the exclusive remedy and each party expressly waives any right he/she or it might have to seek redress in any other forum, including a trial by jury. Claims for workers' compensation insurance or unemployment compensation benefits are not covered by this agreement. Employee shall not be precluded from filing an administrative charge with an appropriate State or Federal administrative agency for the purpose, among others, satisfying any requirement of exhaustion of administrative remedies prior to invoking this mandatory process, to seek remedies that are not victim-specific, or to otherwise permit an administrative agency to file its own lawsuit seeking statutory remedies not otherwise available in the arbitration proceeding. Employees are expressly precluded from filing any joint, class, representative or collective claims addressing their wages, hours or other terms or conditions of their employment against the employer in any forum, whether arbitral or judicial, except representative claims filed under the Private Attorneys General Act of 2004.

The arbitrator shall be selected from a list of seven (7) provided by the Office of the Federal Mediation and Conciliation Service, with the parties striking names in order and the party striking first to be determined by the flip of a coin. The arbitration shall be held in a location to be mutually agreed upon by the parties. In the absence of agreement, the arbitrator shall determine the location.

The arbitrator shall provide either party with sufficient time and access to witnesses, documentation and records of the parties in order to conduct adequate discovery prior to initiation of the proceeding.

Any claim which either party has against the other party which could be submitted for resolution pursuant to this paragraph must be presented in writing by the claiming party to the other in accordance with applicable State or Federal statutes of limitation.

In the event either party contends that the other party's actions are causing injury for which monetary damages would be inadequate, it may seek an injunctive order by submitting to the Office of the Federal Mediation and Conciliation Service in San Francisco a declaration under penalty of perjury setting forth the facts giving rise to its claim. Said declaration shall be served upon the other party personally or by Express Mail, Federal Express, or other comparable service, return receipt requested. If the parties are not able to agree upon a neutral arbitrator within 10 days, the Federal Mediation and Conciliation Service is authorized to select a neutral arbitrator who shall hold a hearing within 10 days of his/her selection.

 The burden of proof shall at all times be upon the party seeking relief. In determining any matter, the arbitrator shall apply all applicable federal, state and local statutory and common law, which is applicable to the dispute. The arbitration shall be conducted pursuant to the California Code of Civil Procedure’s arbitration rules, commencing at Section 1280, and the California Rules of Evidence shall apply. The arbitrator shall have the exclusive authority to resolve any dispute relating to the interpretation, applicability enforceability or formation of the Employee Handbook and this provision.

The parties shall not be precluded from seeking all available remedies that would otherwise be available had the matter been litigated in court, including punitive damages and reasonable attorney's fees.

The Company shall pay the cost of the neutral arbitrator and of a transcript of any arbitration proceeding. Each party shall bear the expense of any witnesses it calls.

Any decision and award or order of the arbitrator shall be in writing and shall be final and binding between the parties as to all claims, which were or could have been raised in connection with the dispute to the fullest extent permitted by law. The arbitrator's decision shall be final and subject to judicial review only as provided by the California Arbitration Act (Code of Civil Procedure Section 1285, et. seq.).

If any litigation is necessary to enforce the terms of this Arbitration Agreement, or if any legal action, even though prohibited, is brought with regard to this Arbitration Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which it may be entitled.

In the event that one or more of the provisions contained herein should for any reason be held to be unlawful or unenforceable, such unlawfulness or unenforceability shall not affect any other provision, and the procedures set forth herein shall be construed as if such unenforceable or unlawful provision had not been contained herein.

I have read, understand and agree to the terms of this Agreement.

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Employee Signature Dated

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Employee Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company Representative Signature Dated

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Company Representative Name Job Title of Company Rep.