

NORTH AMERICAN SECURITY AND INVESTIGATIONS, INC.

ARBITRATION AGREEMENT **[EMPLOYEE COPY]**

Although North American Security and Investigations, Inc. (the "Company") hopes that employment disputes will not occur, the Company believes that where such disputes do arise, it is in the mutual interest of everyone involved to handle them in binding arbitration, which generally resolves disputes quicker than court litigation and with a minimum of disturbance to all parties involved.

By entering into this Agreement, the Company and the undersigned Employee are waiving the right to a jury trial for most employment-related disputes. The Employee further understands that entering into this Arbitration Agreement does not alter the Employee's at-will employment with the Company.

The Company and the undersigned Employee hereby agree that any dispute with any party (including the Company, its affiliates, successors, and representatives) arising out of or in any way related to Employee's employment with the Company or the termination of Employee's employment with the Company shall be resolved by mandatory, binding arbitration before a retired judge or other arbitrator selected by mutual agreement of the Company and the Employee.

The arbitration requirement **does apply** to all statutory, contractual and/or common law claims arising from employment with the Company including, but not limited to, the following:

- Any dispute relating to the interpretation, applicability, enforceability, or formation of this Agreement, including but not limited to any claim that all or any part of this Agreement is void or voidable;
- Claims that could be asserted in court, including breach of any express or implied contract or covenant; tort claims; claims for retaliation, discrimination or harassment of any kind, including claims based on sex, pregnancy, race, national or ethnic origin, age, religion, creed, marital status, sexual orientation, mental or physical disability, medical condition or other characteristics protected by law. This includes claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the federal Fair Labor Standards Act, the California Fair Employment and Housing Act, the California Constitution, the California Labor Code, or any other federal or state statute covering these subjects;
- Claims for violation of any statutory leave law, including the federal Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), California Paid Leave or any related federal or state statute;
- Violations of confidentiality or breaches of trade secrets.

- Violation of any other federal, state, or other governmental law, regulation or ordinance, whether based on statute or common law;
- Claims made against the Company or any of its subsidiary or affiliated entities, or its individual officers, directors or employees for any matters arising out of any of the above claims.

This Arbitration Agreement **does not** cover the following claims:

- Administrative claims properly presented to an administrative agency, such as the Equal Employment Opportunity Commission (EEOC) or federal Department of Labor (Wage and Hour Division), or any equivalent state administrative agency, except that if any such claim is dismissed from the administrative agency's jurisdiction, the parties must then submit to binding arbitration pursuant to this Agreement. The Employee may (but is not required to) choose arbitration to resolve the Employee's dispute rather than pursuing a claim with an administrative agency.
- Workers' Compensation benefits;
- Unemployment compensation benefits;
- Claims based on the National Labor Relations Act;
- Claims based upon any Company employee benefit and/or welfare plan that contains an appeal procedure or other procedure for the resolution of disputes under the plan.
- Claims brought under the Private Attorneys General Act ("PAGA") as set forth in California Labor Code sections 2698 *et seq.*;
- Claims that by law may not be arbitrated.

Except as otherwise required by applicable law, the parties agree that all claims subject to binding arbitration under this Agreement, including as set forth more specifically above, shall be conducted on an individual basis, and not as a class action, or representative action or collective action.

Binding arbitration under this Agreement shall be conducted in accordance with any applicable state statutes providing for arbitration procedures. Alternatively, if no such state statutes exist, then arbitration shall be conducted pursuant to the rules of the American Arbitration Association ("AAA") for employment law disputes. A copy of these AAA rules can be found at www.adr.org under "Rules & Procedures". The parties may mutually agree upon another arbitration procedure.

The arbitrator shall be a retired superior or appellate court judge or other professional arbitrator chosen by agreement of the parties or any local dispute resolution

service administered by the Superior Court of the county in which the dispute arose. The arbitrator shall not have any authority to consolidate, combine or aggregate the claims of the undersigned employee with those of any other employee. The arbitrator shall have no authority to create an arbitration proceeding on a class basis, nor to award relief to a class of employees in one arbitration proceeding.

Any dispute with any party arising out of or in any way related to Employee's employment with the Company or termination of employment with the Company must be submitted to binding arbitration within the applicable statute of limitations prescribed by law. With the exception of a filing fee that shall not exceed the cost to file a comparable claim in state or federal court, the Company shall pay the fees and costs of the Arbitrator, and each party shall pay for its own costs and attorneys' fees. However, the Arbitrator may award costs and/or attorneys' fees to the prevailing party to the extent permitted by law and shall follow any applicable statutory requirements regarding an award of attorneys' fees and costs.

The parties will be permitted to conduct discovery as provided by the applicable state statute(s). In the absence of any such statute(s), the parties shall follow the discovery procedures set forth by the American Arbitration Association. Within 30 days of the conclusion of the arbitration, the Arbitrator shall issue a written opinion setting forth the factual and legal basis for his or her decision. The Arbitrator shall have the power and discretion to award to the prevailing party all damages provided under the applicable law.

If any provision of this Agreement is held to be unenforceable, it shall be stricken from the Agreement and the remainder of the Agreement shall be fully enforceable. If any provision of this Agreement is held to be in conflict with a mandatory provision of applicable law, the conflicting provision of this Agreement shall be modified automatically to comply with the applicable law until such time as the provision can be formally modified to comply with the law.

I acknowledge that I have carefully read this agreement, and that I understand and agree to its terms. I have entered into this agreement voluntarily and have not relied upon any promises or representations other than those contained herein. I understand that I am giving up my right to a court or jury trial by entering into this agreement. I understand that this arbitration agreement does not change my at-will employment status with the Company.

Date

Print Employee Name

Employee Signature

Employer Signature

PLEASE RETAIN THIS COPY FOR YOUR RECORDS

NORTH AMERICAN SECURITY AND INVESTIGATIONS, INC.

ARBITRATION AGREEMENT
[EMPLOYER COPY]

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- Violation of any other federal, state, or other governmental law, regulation or ordinance, whether based on statute or common law;
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The arbitrator shall be a retired superior or appellate court judge or other professional arbitrator chosen by agreement of the parties or any local dispute resolution

service administered by the Superior Court of the county in which the dispute arose. The arbitrator shall not have any authority to consolidate, combine or aggregate the claims of the undersigned employee with those of any other employee. The arbitrator shall have no authority to create an arbitration proceeding on a class basis, nor to award relief to a class of employees in one arbitration proceeding.

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I acknowledge that I have carefully read this agreement, and that I understand and agree to its terms. I have entered into this agreement voluntarily and have not relied upon any promises or representations other than those contained herein. I understand that I am giving up my right to a court or jury trial by entering into this agreement. I understand that this arbitration agreement does not change my at-will employment status with the Company.

Date

Print Employee Name

Employee Signature

Employer Signature

PLEASE RETURN THIS COPY TO YOUR SUPERVISOR