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Standard Operating Procedure for Hangnail Software's Transition To Durochi Systems DSOP-5799, Release 2

SOP Scope: Durochi Systems Standards and Practices

Functional Group: Ducochi Systems Transferrer General

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1. PURPOSE

1.1. ACQUISITION

On April 5th, 2009, Durochi Systems acquired Hangnail Software, a 150 employee game software firm based out of Sonora, California.

1.2. TRANSITION

The purpose of this Standard Operating Procedure is to explain to Hangnail Software employees what exactly the transition between Hangnail Software to Durochi Systems will entail, as well as help Hangnail Software employees ease through that transition. Furthermore this document is meant to inform Durochi System team members who are directly affected by this acquisition Durochi System's plans for Hangnail Software employees.

2. SCOPE

2.1. DEPARTMENTS AFFECTED BY THIS TRANSITION

This SOP is meant for every department within Hangnail Software that wasn't dissolved during the initial acquisition negotiations and other pre-transistion shake ups, as well as Durochi System departments that Hangnail Software employees will be worked into. This includes, but is not limited to:

- 2.1.1. Hangnail Software Research & Development
- 2.1.2. The Hangnail Clippers Competitive Programming Team
- 2.1.3. all Hangnail Software management positions excluding the Board of Directors
- 2.1.4. Durochi Beta Testing Department
- 2.1.5. Durochi Software R&D.

2.2. DEPARTMENTS NOT AFFECTED BY THIS TRANSITION

This SOP does not apply to Hangnail Software departments that still currently exist but are not part of the final acquisition process, as well as Durochi System departments that no Hangnail Software employees will be a part of. This includes, but is not limited to:

- 2.2.1. Hangnail Performance Customer Service
- 2.2.2. Hangnail Software Board of Directors
- 2.2.3. all Durochi Systems departments not related to programming.

3. RESPONSIBILITY

3.1. HANGNAIL SOFTWARE NON-MANAGEMENT EMPLOYEES

Non-management employees of Hangnail Software need to only complete their transition packet and hand it into any of their managers. On July 5th and July 6th, 2009 there will be two Durochi Systems employee courses at the Durochi Systems Campus in Jamestown, where you will be learn Durochi System policies and other information. Your transition packet will contain knowledge of which course you will be attending. At 11:59PM on September 30th, 2009, Hangnail



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Software will cease operations from their Sonora offices, and on October 1st, 2009, all Hangnail Software employees will begin working at the Durochi Systems Campus in Jamestown.

3.2. HANGNAIL SOFTWARE MANAGEMENT

All Hangnail Software management are required to complete their transition packet as well as collect transition packets of their subordinates. On July 7th and July 8th, 2009 there will be two Durochi Systems management courses at the Durochi Systems Campus in Jamestown, where you will be briefed on Durochi Systems policies. You transition packet will tell you which course you are assigned to. When you arrive at the course, you will hand in all transition packets in your position to the course teacher. At 11:59PM on September 30th, 2009, Hangnail Software will cease operations from their Sonora offices, and on October 1st, 2009, all Hangnail Software employees will begin working at the Durochi Systems Campus in Jamestown.

3.3. DUROCHI SYSTEMS TRANSITION TEAM

On July 1st, 2009, you are required to go to the Durochi-Hangnail Transition Team course to learn more about your duties during this transition period. During the July 7th and July 8th Durochi Systems management courses, collect all Hangnail Software employee transition packets from Hangnail management and record which packets you received. Deliver the packets and the list of received packets to the mail room. After August 1st, you will receive a list of Hangnail Software employees as well as a discussion packet. You will need to phone each employee on the list and discuss with them everything in the discussion packets. Furthermore those employees will be coming in contact with you with any questions they have about the transistion. At 11:59PM on September 30th, 2009, Hangnail Software will cease operations from their Sonora offices, and on October 1st, 2009, all Hangnail Software employees will begin working at the Durochi Systems Campus in Jamestown. On and after January 1st, 2010, the transition will be completed and you will no longer be responsible for any Durochi-Hangnail transition issues.

4. ASSOCIATED FORMS

4.1. HANGNAIL SOFTWARE NON-MANAGEMENT EMPLOYEES

All Hangnail Software non-management employees are required to fill out their transition packets in full. Each non-management transition packet includes the following forms:

- 4.1.1. DU18 Durochi Systems Employee Facts
- 4.1.2. DU12 Durochi Systems Medical Information
- 4.1.3. DU404 Durochi Systems Hangnail Non-Management Employee Information
- 4.1.4. W2 Federal Tax Form
- 4.1.5. CA9 California Tax Form
- 4.1.6. DU21 Durochi Systems Disability Requirements

4.2. HANGNAIL SOFTWARE MANAGEMENT

All Hangnail Software management employees are required to fill out their transition packets in full. Each management transition packet includes the following forms:

- 4.2.1. DU18 Durochi Systems Employee Facts
- 4.2.2. DU12 Durochi Systems Medical Information



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- 4.2.3. DU405 Durochi Systems Hangnail Management Employee Information
- 4.2.4. W2 Federal Tax Form
- 4.2.5. CA9 California Tax Form
- 4.2.6. DU21 Durochi Systems Disability Requirements
- 4.2.7. DU25 Durochi Systems Manager Eligibility Form

5. **DEFINITIONS**

5.1. NONE

There are no special words needing to be defined.

6. REFERENCES

6.1. HANGNAIL SOFTWARE NON-MANAGEMENT EMPLOYEES

At the July 5th and July 6th Durochi System employee course, each Hangnail Software employee will receive a copy of the Durochi Systems Employee Handguide. All Hangnail Software employees will be required to read the Employee Handguide.

6.2. HANGNAIL SOFTWARE MANAGEMENT EMPLOYEES

At the July 7th and July 8th Durochi System management course, each Hangnail Software management employee will receive a copy of the Durochi Systems Employee Handguide as well as the Durochi Systems Management Handguide. All Hangnail Software management employees will be required to read both the Employee Handguide and the Management Handguide.

7. SAFETY

7.1. NONE

No specific safety measures are required from any Hangnail Software employees.

8. MATERIALS AND EQUIPMENT

8.1. HANGNAIL SOFTWARE EMPLOYEES

All forms, transition packets, handguides and other materials and equipment can be acquired by visiting the Durochi Systems Campus in Jamestown, CA. Simply visit the front desk and ask for a customer service representative. The customer services representative will then help you acquire whatever materials you require.

8.2. DUROCHI SYSTEMS TRANSITION TEAM

All forms, transition packets, handguides and other materials and equipment for Hangnail Software employees can be acquired in the employee forms lounge in Building Gamma, floor 5, room 505. There will be a clearly labeled section where you can get everything.

9. MAIN BODY



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9.1. PRETRANSITION

9.1.1. General Employee Job Role Changes

As it has been mentioned, Hangnail Software was acquired by Durochi Systems on April 5th, 2009. However while employees at Hangnail Software might be a little shaken up by this move, right now pretty much all of you can rest easy at this point and expect the same things they've come to expect from the company, as if nothing has been changed.

9.1.2. Hangnail Software Board of Directors Job Role Changes

The only Hangnail Software employees whose job roles have changed during this pretransition period is the Hangnail Software Board of Directors, as well as a few of Hangnail Software technical writers. Up until the transition period officially begins, the Board of Directors will be working closely with Durochi System representatives in sorting out how the acquisition process will actually be handled. In this time you will be producing and making significant updates to this document.

9.2. DURING TRANSITION, DURING HANGNAIL OPERATIONS

The transition period will officially being on July 1st, 2009. In this time there will be some important changes for Hangnail Software employees.

9.2.1. General Employee Job Role Changes

Starting on July 1st, 2009, general employees will be receiving transition packets, either attached to your paychecks, handed to you in person by your managers, or sent to you in the mail. These packets are to be completed hand turn into your managers by August 1st, 2009. Furthermore, non-management employees of Hangnail Software will be required to participate at one of two Durochi System employee courses on July 5th or July 6th. Failure to comply with these transition tasks will result in your eventual but inevitable termination.

9.2.2. Management Employee Job Role Changes

On July 1st you will be required to participate in a quick transition meeting with other Hangnail Software managers to discuss the transition period at Hangnail Software. Generally things will not change, but your employees will undoubtedly have question that you will need to answer. You will also be given your transition packet and those of your employees to hand to them. Furthermore, until August 1st, you will be receiving packets from your employees, which you'll need to deliver to the office of the Hangnail Software CEO (a box will be available for you to drop off the packets in). Also on July 7th and 8th there will be an Durochi System employee seminar that you will need to participate in. Failure to comply with these transition tasks will result in your eventual but inevitable termination.

9.3. DURING TRANSITION, AFTER HANGNAIL CEASES OPERATIONS Hangnail Software will officially cease to exist starting October 1st, 2009.

9.3.1. General Employee Job Role Changes

As Hangnail Software's operations will cease by October 1st, 2009, your first days of work will be at the Durochi System campus. However this will still be the transition period for Hangnail Software employees. During this time, all Hangnail Software employees will be working exclusively together in the Durochi System Transition Building (specific rooms and such details to be worked out soon). Even though during this period you are now officially Durochi System employees, you can still expect work to be significantly similar to what you've come to expect with working at Hangnail Software.

9.3.2. Management Employee Job Role Changes



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Your role as a manager will be slightly different as you will be working towards instilling the Durochi System management style upon your Hangnail Software employees over the next three months. Also during this time you will be working with your Durochi System managers in sorting out which employee will work best in which department, such that when the transition period ends on January 1st, 2010, all Hangnail Software employees will have a new home at Durochi Systems.

9.4. END OF TRANSITION

The transition period will officially end January 1st, 2010. At this time all Hangnail Software employees from top to bottom will have a new position and will be transferred to various new departments within the company.

10. DOCUMENTATION

10.1. NONE

No special documentation will be created during the process of this transition.

11. HISTORY

- 11.1. 20090419 Version 1.0 The initial version of this document.
- 11.2. 20090425 Version 1.5 Current Version The first revision of this document.

12. ATTACHMENTS

12.1. NONE

There are no attachments.