

It is the policy of **Sangster's** to classify the status of employees in order to contrast the differences in the benefits and the conditions of employment among employees.

PROCEDURES:

1. Employment Status Classifications

- a. *Regular full-time employees* are individuals who have satisfactorily completed the Training Period of ninety (90) days and whose normal work schedule calls for at least thirty-two (32) hours per week on a continuing basis. Regular full-time employees may be entitled to all benefits as described in Section 2 of this Manual.
- b. *Regular part-time employees* are individuals who work from fifteen (15) to thirty-one (31) hours per week on a regular basis. Regular part-time employees may be entitled to limited benefits as described in Section 2 of this Manual.
- c. *Temporary employees* are individuals who are hired for a specific assignment (Christmas, annual sales) not to exceed three (3) calendar months, with the understanding that this employment may end at the completion of the assignment. Temporary employees may be entitled to limited benefits as described in Section 2 of this Manual.
- d. *Per Diem employees* are individuals who come to work only when called to do so. They are not entitled to benefits.
- e. *Conditional employees* are individuals who are new hires and who serve a prescribed period of ninety (90) days under close supervision and evaluation in order to assess their competencies and adaptation to this company's work environment. Conditional employees may be terminated at the will and discretion of **Sangster's** without advance notice, or by the employee without advance notice. During this Training Period, vacation and sick pay benefits will accrue; no other company benefits shall apply.
- f. *Non-exempt employees* are covered by overtime pay and other distinctive provisions or Provincial laws. These employees are paid on an hourly basis for actual hours worked. All such employees are entitled to overtime pay or banked

time for work required to be performed by **Sangster's** over 40 hours per work week.

- g. *Exempt employees* are classified by **Sangster's** as exempt and are not eligible for overtime pay and other employment conditions as provided for in applicable Provincial laws. Exempt employees are generally considered as those individuals who are assigned to executive, administrative, professional, supervisory or outside sales positions.

Such employees are paid on a salary basis and are not required to record specific hours worked unless requested to do so by the Manager/Franchisee. They are required to report use of vacation, sick or holiday time.

All of the above classified employees are hired subject to and on the basis of their continued suitability to do the job or fill a required need. These status categories, or anything contained in these policies and procedures do not ensure or guarantee employment for any specified length of time. Employment is at mutual consent of the employee and **Sangster's** and can be terminated at will by either the employee or **Sangster's**.

2. Change of Status

- a. If, at the end of the employee's Training Period, the Manager or Franchisee believes an employee's performance is acceptable and that all conditions of employment have been met, *regular status* may be recommended and implemented if it is mutually agreed upon by the employee and **Sangster's**.
- b. Such recommendation may be made by the Manager or Franchisee to the employee prior to the conclusion of the Training Period.

3. Classification and Responsibility

- a. It shall be the responsibility of each Manager or Franchisee to prepare and maintain thorough job descriptions on all employee classifications.
- b. These job descriptions shall be reviewed periodically to determine their accuracy and completeness.
- c. All job descriptions may list the physical and mental requirements of the job, including attendance, hours of work, and any travel, if required.