



LEADERS HOLDING CO.™

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LEADERS HOLDING CO™

TEAM MEMBER HANDBOOK

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Welcome

Welcome new Team Member!

On behalf of your colleagues, I welcome you to Leaders Holding Co™, as known throughout the handbook as “the company” and wish you every success here.

We believe that each Team Member contributes directly to our growth and success, and we hope you will take pride in being a member of our team.

This handbook was developed to describe some of the expectations of our Team Members and to outline the policies, programs, and benefits available to eligible Team Members. Team Members should familiarize themselves with the contents of the Team Member handbook as soon as possible, for it will answer many questions about employment with our company.

The company reserves the right to alter, amend, or modify these policies with or without prior notice. No statement by management may be interpreted as a change in policy, nor will it constitute an agreement with an Team Member.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Sincerely,

Tim Newton, President
LEADERS HOLDING CO™

At Will

Employment with Leaders Holding Co™ is voluntarily entered into, and the Team Member is free to resign at will at any time, with or without cause. Similarly, the company may terminate the employment relationship at will at any time, with or without notice or cause.

THIS TEAM MEMBER HANDBOOK DOES NOT CONSTITUTE A CONTRACT AND SHOULD NOT BE CONSTRUED AS A CONTRACT BY ANY TEAM MEMBER. THE COMPANY DOES NOT GUARANTEE EMPLOYMENT FOR ANY SPECIFIC DURATION, AND ALL TEAM MEMBERS ARE EMPLOYED ON AN "AT WILL" BASIS.

THE COMPANY RESERVES THE RIGHT TO ALTER, AMEND OR MODIFY THESE POLICIES WITH OR WITHOUT PRIOR NOTICE, EXCEPT FOR THE POLICY OF AT WILL EMPLOYMENT. NO STATEMENT BY MANAGEMENT MAY BE INTERPRETED AS A CHANGE IN POLICY, NOR MAY IT CONSTITUTE AN AGREEMENT.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the company.

Equal Employment Opportunity

Leaders Holding Co™ is committed to having a workplace free of illegal discrimination and harassment on the basis of race, color, religion or comparable moral conviction, sex (including pregnancy), age, disability, disabled veteran status, marital status, national origin, genetic information, and any other status protected by law.

All Team Members are required to refrain from illegal discrimination and harassment, and to report any violation of the policy, whether against them or any other person. Illegal discrimination and harassment against Team Members, customers, vendors, and any other persons associated with our business is taken very seriously and will not be tolerated.

When our nondiscrimination policies apply:

Our policies are applicable to any interaction between our Team Members that affects Team Members in their work. This means, for instance, that inappropriate conduct, even when not during working hours, taking place outside of the workplace, and/or communicated over private channels (such as your mobile phone or home computer) can violate our policies if the effects of the conduct are felt by an Team Member at work.

Unlawful harassment:

Harassment on the basis of any protected status is prohibited (for example, harassment on the basis of age, race, religion, national origin, and disability are prohibited), however, our strict prohibition of sexual harassment may require additional clarification. Sexual harassment can include any unwelcome requests for sexual favors, touching, comments, gestures, telephone or computer communications, or other behavior of a sexual nature, when submitting to such conduct is either explicitly or implicitly a term or condition of employment, is used as the basis for employment decisions, interferes with someone's job performance, or creates an intimidating, hostile, or offensive working environment.

Accommodation of disabilities:

If you have a disability that impacts your ability to perform your job, speak with the appropriate member of management at the corporate office regarding whether a reasonable accommodation may be available to help you perform the essential functions of your job. You're providing information (which may include information from medical providers) and cooperating with attempts to find reasonable accommodation is essential.

Reporting and resolving discrimination and harassment concerns:

Illegal Harassment and discrimination cannot be eliminated without your help; it is everyone's responsibility. If you believe you are being illegally discriminated against or harassed, tell the person who is harassing or discriminating against you what behavior you want to stop and why. Also, if you believe that illegal discrimination or harassment has occurred or is occurring (whether you or anyone else are the victim), immediately report it to your supervisor. If you do not receive a satisfactory resolution, continue to report it up the chain of authority -- all the way to the President, if necessary. If you are not reasonably able to approach a particular person in the chain of authority (for instance, if you believe your supervisor is sexually harassing or discriminating against you), skip a level and go to the next person in the chain.

Open door policy:

All supervisors and managers maintain an "open door" policy to listen to Team Member concerns about potential illegal discrimination and harassment. You may bring these concerns up at any time.

No retaliation:

You have the right to complain of illegal discrimination and harassment without retaliation. As long as you act in good faith (for instance, by telling the whole truth to the best of your ability and cooperating with any investigations), no adverse employment action will be taken against you for complaining about illegal discrimination or harassment. If you feel you are being improperly retaliated against, report it following the same procedures you would follow to complain of illegal discrimination or harassment. Remember, just as you have a right to bring these matters up, you also have a responsibility to do so; if you do not bring them up, they cannot be addressed. Because we prohibit retaliation, there is never a good excuse for failing to report discrimination or harassment.

What happens when a complaint is made?

If a complaint about potential illegal discrimination, harassment or retaliation is made, The Company will promptly investigate the complaint. Investigations will be done with due respect for all involved. All Team Members are required to cooperate in investigations including by telling the whole truth to the best of their knowledge, attending interviews with investigators appointed by the company, providing all information (including any physical items such as documents or notes) they may have, and maintaining confidentiality. The obligation to cooperate extends to both persons making a complaint and to anyone else the company feels may have information relevant to an investigation. If an investigation results in a finding that Leaders Holding Co™'s policies forbidding illegal discrimination and harassment have been violated, the company will take action intended to prevent any further violations.

ADA (Americans with Disabilities Act)

It is recognized that Team Members may experience either a temporary or permanent impairment, which may impact their ability to perform the requirements of their job duties.

The company will provide reasonable accommodations for Team Members that would allow them to continue to perform the essential functions of their position, and which do not impose an undue hardship on the business.

Any Team Member having a physical or mental impairment that substantially limits one or more of his or her major life activities and which impacts their ability to perform their job duties, should notify their supervisor and the Human Resources Department.

Lactation Accommodation

In compliance with federal law, the company will provide appropriate private, secure areas, other than a restroom, for Team Members to express milk within the year after a child's birth. If your location does not have a regularly designated area and you do not have a private office that you can use for this purpose, ask your manager to designate an appropriate place. Team Members may take breaks of a reasonable length for this purpose. Hourly Team Members may take up to 20 minutes at a time, three times per day for this purpose without clocking out, provided that any other paid break time (for instance if they are normally allowed smoking breaks) should be set off against time taken for this purpose. Longer or more frequent breaks should be off the clock (unpaid). Note, however, that many jurisdictions have policies on lactation breaks; if you are in a jurisdiction that provides a higher standard of accommodation for lactation, the higher standard will apply. Please contact Human Resources with any questions pertaining to this policy.

Dispute Resolution

The laws of the State of Florida shall govern any disputes between Leaders Holding Co™ and the Team Member. The forum selected for any proceeding or suit related to a dispute between Leaders and the Team Member shall be in a federal or state court of competent jurisdiction located in Hillsborough County, Florida or Pinellas County, Florida. Team Member consents to said courts' jurisdiction over it and waives any defense, that Hillsborough County, Florida or Pinellas County, Florida is an improper or inconvenient venue.

EMPLOYMENT PRACTICES AND POLICIES

Employment Categories

It is the intent of Leaders Holding Co™ to clarify the definitions of employment classifications so that Team Members understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the Team Member and the Company.

Each Team Member is designated as either Nonexempt or Exempt from federal and state wage and hour laws. Nonexempt Team Members are entitled to overtime pay under the specific provisions of federal and state laws. Exempt Team Members are excluded from specific provisions of federal and state wage and hour laws. An Team Member's Exempt or Nonexempt classification may be changed only upon written notification by the company management.

In addition to the above categories, each Team Member will belong to one other employment category:

Full-Time Team Members are those who are not in a temporary or introductory status and who are regularly scheduled to work the assigned full-time schedule. Generally, they are eligible for the company's benefit package, subject to the terms, conditions, and limitations of each benefit program.

Part-Time Team Members are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than (30) hours per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for all of the company's other benefit programs.

Probationary Team Members are those whose performance is being evaluated to determine whether further employment in a specific position or with Leaders Holding Co™ is appropriate. Team Members who satisfactorily complete the probationary period will be notified of their new employment classification.

Temporary Team Members are those whose work assignments in this category are of a limited duration. Employment beyond any initially stated period (usually not longer than 6 months) does not in any way imply a change in employment status.

Introductory Period

The introductory period is intended to give new Team Members the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Leaders Holding Co™ uses this period to evaluate Team Member capabilities, work habits, and overall performance. Either the Team Member or the company may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired Team Members work on an introductory basis for the first 90 calendar days after their date of hire. Any significant absence will automatically extend the introductory period by the length of the absence.

During the introductory period, new Team Members are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. After the introductory period is completed, Team Members may also be eligible for other company provided benefits, subject to the terms and conditions of each benefits program. Team Members should read the information for each specific benefits program for the details on eligibility requirements.

Personnel Data Changes

It is the responsibility of each Team Member to promptly notify Leaders Holding Co™ of any changes in personal information. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personal information has changed, notify Human Resources.

Timekeeping

Federal and state laws require Leaders Holding Co™ to keep an accurate record of time worked to calculate Team Member pay and benefits. Time worked is all the time spent on the job performing assigned duties. Accurately recording time worked is the responsibility of every nonexempt Team Member. Nonexempt Team Members should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Overtime work must always be approved before it is performed.

Altering, falsifying, tampering with time records, or recording time on another Team Member's time record is a direct violation of this policy.

Nonexempt Team Members should report to work no more than 5 minutes prior to their scheduled starting time nor stay more than 5 minutes after their scheduled stop time without expressed, prior authorization from their supervisor.

It is the responsibility of all non-exempt Team Members to review their time records weekly. Notify your manager or Human Resources immediately if your time record is not accurate. Please bring any discrepancies in your paycheck to the attention of Human Resources. When the discrepancy is verified, the adjustment will be reflected on your next check.

Paydays

All Team Members are paid on a Bi-weekly basis. Each paycheck will include earnings for all work performed through the end of the previous payroll period. Our weekly pay period begins on a Monday and ends on a Sunday. We have a paperless payroll system, and you will be required to supply direct deposit information. You will be able to access your payroll information online.

Pay Deductions

The law requires that Leaders Holding Co™ make certain deductions from every Team Member's compensation. Among these are applicable federal, state, and local income taxes. Leaders Holding Co™ also must deduct Social Security taxes on each Team Member's earnings up to a specified limit that is called the Social Security "wage base." Leaders Holding Co™ matches the amount of Social Security taxes paid by each Team Member.

Pay Advances

Leaders Holding Co™ does not provide pay advances on any wages to Team Members.

Administrative Pay Corrections

Leaders Holding Co™ takes all reasonable steps to ensure that Team Members receive the correct amount of pay and are paid promptly for each paycheck on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the Team Member should promptly bring the discrepancy to the attention of their supervisor or Human Resources so that corrections can be made as quickly as possible.

Salary Administration

The salary administration program at Leaders Holding Co™ was created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal Employment Opportunity, and offer competitive salaries within our labor market. Because recruiting and retaining talented Team Members is critical to our success, Leaders Holding Co™ is committed to paying its Team Members equitable wages that reflect the requirements and responsibilities of their positions and are comparable to the pay received by similarly situated Team Members in other organizations in the area.

Compensation for every position is determined by several factors, including the essential duties and responsibilities of the job.

Performance Evaluation

Supervisors and Team Members are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Performance evaluations are conducted annually according to your anniversary date. This provides both you and your department manager with the opportunity to discuss your job tasks, identify and correct weaknesses, encourage, and recognize strengths, and discuss methods for improving your performance. A Team Member may also be reviewed at any time the company feels it is warranted for commendation or required improvement.

A positive performance evaluation does not guarantee an increase in salary, a promotion, or even continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of your supervisor.

Work Schedules

Our workweek runs from Monday to Sunday. Operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. Schedule and Team Member assignments are subject to change.

Meal Periods

All full-time Team Members are provided with one unpaid meal period of at least 30 minutes and up to 60 minutes in length each workday. Supervisors will schedule meal periods to accommodate operating requirements. Team Members will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time.

Rest Breaks

Team Members may not leave their work areas without the expressed approval of their supervisor. All Team Members who work 8 hours during the workday are provided with two rest periods of 15 minutes in length. If you are a non-exempt (hourly), Team Member you are not permitted to leave company property during your paid rest period. As much as possible, rest periods will be provided in the middle of work periods depending on your department's schedule. Since this time is counted and paid as time worked, Team Members must not be absent from their workstations beyond the allotted 15-minute rest period time.

Overtime

When operating requirements or other needs cannot be met during regular working hours, Team Members may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equally as practical to all Team Members qualified to perform the required work.

Overtime compensation is paid to all nonexempt Team Members in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked plus premium hours. Time off on vacation leave, holidays, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

Absenteeism and Tardiness

Team Members are expected to be at work on time and to work their full scheduled hours as part of the essential functions of their position. Team Members who report late to work or return late (more than 5 minutes) from: meal periods, breaks, or leave prior to the end of the workday without permission, will be considered tardy.

Repeated absenteeism and/or tardiness will not be tolerated. A Team Member who will be absent from work for any reason must communicate with your manager at least one hour before the start time of their shift. If you are absent from work without prior authorization or without giving proper notice to your supervisor or Human Resources, the Team Member will be considered to have voluntarily resigned from the company if they do not contact their supervisor or Human Resources department within 48 hours. If a Team Member is absent from work due to illness the

Team Member must obtain and submit a note before returning to work, including any restrictions that may apply, stating that you are able to return to duty.

TEAM MEMBER BENEFITS

Team Member Benefits

The benefits within the Team Member Handbook contain a very general description of the benefits to which you may be entitled as a Team Member of the company. Please understand that this general explanation is not intended to, and does not, provide you with all the details of these benefits. Therefore, this Handbook does not change or otherwise interpret the terms of the official plan documents. Information and summaries intended to explain these benefit plans will be furnished to all plan participants and beneficiaries on a timely and continuing basis.

Benefits eligibility is dependent upon a variety of factors, including Team Member classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the Team Member handbook.

The following benefit programs are available to eligible full-time Team Members:

- PTO
- Holiday Pay
- 401(k)
- Voluntary Health & Welfare benefits

Health Insurance

Leaders Furniture offers a variety of benefits allowing you the opportunity to customize a benefits package that meets your personal needs.

All Regular full-time employees and eligible dependents are eligible to enroll in benefit plans on the 1st of the month following 60 days of employment. Additional information on benefit plans will be provided within 2 weeks of hire. You can sign up for benefits when you are first eligible, during open enrollment and within 30 days of a qualified family-status change. These status changes include, but are not limited to, marriage, divorce, birth or adoption of a child, and loss of spouse's insurance. Any newborn children must be added within 30 days of their birth. Please call Human Resources with any questions.

If you are a part time Team Member and transfer to full time, you will be eligible for medical, dental and vision benefits the 1st of the month following 60 days of full-time employment.

Paid Time Off (PTO)

Leaders Holding Co™ believes that Team Members should have opportunities to enjoy time away from work to help balance their lives. The benefits of PTO are that it promotes a flexible approach to time off. Team Members are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness or disability, appointments, emergencies, company closures due to natural disasters and other unexpected events, or any other situations that may require time off from work. The company has established this paid time off (PTO) policy to meet those needs.

Only full-time personnel are eligible for PTO and PTO redemption. PTO is awarded on the Team Member's anniversary date as follows:

Less than 90-Days	0 Days
Following 90-Days	4 Days
Following 1 Year	12 Days
Following 2 Years	17 Days
Following 7 Years	22 Days
Following 15 Years	27 Days

PTO is to be arranged to be mutually convenient for the Team Member and the company. PTO requests must be submitted through the timekeeping system at least one (1) week in advance of your first approved PTO day. PTO requests will be reviewed, approved, or denied based on several factors including staffing requirements and business needs. PTO periods are granted considering operating requirements of the company and previously acknowledged PTO requests. PTO priority is determined on a first come first served basis not considering seniority. If you are a part time Team Member or do not have any available PTO, please request unpaid time off through the timekeeping system to document your approved time away from work.

A Team Member may only take a PTO day for the day(s) they are not working their scheduled day(s). Five (5) awarded PTO days are allowed to be used toward unscheduled PTO. Unscheduled PTO is time off without prior approval from your supervisor or manager including sick and personal days. Non-exempt Team Members having unscheduled absences beyond five (5) days are subject to disciplinary action up to and including termination.

A Team Member may roll over up to 40 hours of unused PTO from the previous anniversary year.

Team Members who resign will be eligible to receive a payout of their remaining PTO balance if they have given a two (2) week notice and a three (3) week notice for managers. Resigning Team Members may not take any PTO during the notice period. The Team Member must fulfill all duties of their position in a satisfactory manner for the entire notice period to be eligible for the PTO payout. The payout will occur after the last day of work on the next scheduled paycheck.

UNPAID TIME OFF (UPTO)

Team Members must take all available PTO time before taking Unpaid Time Off (UPTO). Scheduled UPTO is to be requested by using the UPTO template in the timekeeping system in the same manner that PTO is requested. UPTO must be requested in advance and approved by your manager. In the event you have PTO available, you must use all PTO prior to requesting UPTO.

Paid Time Off (PTO) Redemption Policy

Eligible team members include all full-time, hourly (non-exempt) team members working at the Distribution Center or at a Showroom. This policy does not apply to any team members who work offsite or are salaried (exempt).

A minimum of 40 hours (or 5 days) of PTO time used per year is required. Any unused PTO time beyond the 40 hours (or 5 days) can be redeemed as outlined below.

50% of Wage

Any amount of unredeemed PTO over 40 hours can be redeemed at 50% of the team member's wage. To redeem your unused PTO, you must submit a PTO Redemption form, signed by your supervisor, to Human Resources 30 days prior to your anniversary date. The redeemed PTO pay will be paid on the paycheck following the team member's anniversary. Team Members will not be paid for PTO time prior to their anniversary date.

How many PTO days do I have left?

You will be able to see this information in the time management system. You can find your used and available PTO hours under "Leave Management". The hours shown are the balance after all approved requests have been deducted. To figure out how many days you have left from the Hours Balance you need to do the following calculation:

$$\text{PTO Days} = \text{Hours Balance divided by 8 hours}$$

For example, if you have 64.00 Hours Balance on your stub then to figure out how many PTO Days are remaining you would do:

$$64.00 \text{ Hours Balance divided by 8 hours} = 8 \text{ PTO Days left to use.}$$

Holidays

Leaders Holding Co™ recognizes two paid holidays during the year. All company locations will be closed on the following holidays and all eligible Team Members will be paid holiday pay:

- Thanksgiving 4th Thursday in November
- Christmas December 25th

Full-time Team Members are eligible for paid holidays after completing 90 days of service.

Non-exempt Team Members must work their scheduled workday before and after the holiday to be paid for the holiday unless they are absent with prior permission from their supervisor.

401(k) Retirement Plan

Leaders Holding Co™ has established a 401(k) Retirement Plan to provide Team Members the potential for future financial security for retirement.

All Team Members are eligible for the 401(k) plan and will be auto enrolled at 3%. The first contribution to the plan will be the first payroll of the month following 60 days of consecutive service.

You may elect the percentage of your salary to contribute based on your retirement planning goals. New Team Members will be auto enrolled at 3%. You may make changes to your contribution percentage on the provider website as often as once per month. Leaders Holding Co™ may also contribute an additional matching amount to each Team Member's 401(k) contribution on an annual basis. You must be employed on the last day of the calendar year to receive any matching contributions.

Complete details of the 401(k) Retirement Plan are described in the Summary Plan Description found on the provider website. Links to benefits providers can be found in your Netsuite Employee Center. Contact Human Resources for more information about the 401(k) plan.

EAP

Leaders Holding Co™ cares about the health and well-being of its Team Members and recognizes that a variety of personal problems can disrupt their personal and work lives. While many Team Members solve their problems either on their own or with the help of family and friends, sometimes Team Members need professional assistance and advice.

Through the Employee Assistance Program (EAP), the Human Resources office can assist you in finding counseling services available in the area to help you deal with personal problems such as alcohol and other substance abuse, marital and family difficulties, financial or legal troubles, and emotional distress.

The EAP is strictly confidential and is designed to safeguard your privacy and rights. Information given to the EAP counselor may be released only if requested by you in writing. A Professional Code of Ethics guides all counselors.

Personal information concerning Team Member participation in the EAP is maintained in a confidential manner. No information related to a Team Member's participation in the program is entered into the personnel file.

If you currently carry health plan; you may be eligible for counseling and only be required to pay a copay if the counselor is in network (depending on your health plan). If further counseling is necessary, the EAP counselor will outline community and private services available. The counselor will also let Team Members know whether any costs associated with private services may be covered by their health plan. Costs that are not covered are the responsibility of the Team Member.

Minor concerns can become major problems if you ignore them. No issue is too small or too large, and a professional counselor is available to help you when you need it.

LEAVES OF ABSENCE

Family Medical Leave Act (FMLA)

Pursuant to the federal Family and Medical Leave Act (FMLA), the Company provides leave to eligible Team Members if the Company employed 50 or more Team Members in 20 or more workweeks in the current or preceding year (if the Company does not meet this threshold in a given year, the FMLA, including the policies described in this section, does not apply). While the company reserves the right to grant leave on terms and conditions in excess of those required by law, nothing herein shall be construed to require the Company to do so, and such leave will not be subject to the protections of the FMLA.

An FMLA-Eligible Team Member is a Team Member who meets the following criteria:

- The Team Member has accrued 12 months of service with the Company within the previous seven years.
- The Team Member has worked at least 1,250 hours for the Company during the 12-month period immediately prior to taking FMLA leave; and
- The Team Member works at a location where at least 50 Team Members are employed by the Company within a 75-mile radius.

Reasons for taking family/medical leave

Family/medical leave may be taken for the following reasons:

- The Team Member's incapacity due to pregnancy, prenatal medical care, or childbirth.
- To care for the Team Member's child after birth, or placement of a child with the Team Member for adoption or foster care.
- To care for the Team Member's spouse, child, or parent (each a "qualified family member") who has a serious health condition; or
- For a serious health condition of the Team Member that renders the Team Member unable to perform an essential function of his or her position. A serious health condition is an illness, injury, or impairment, or physical or mental condition that involves either an overnight stay in a medical care facility or continuing treatment by a health care provider for a condition that either prevents the Team Member from performing the essential functions of the Team Member's job or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may also meet the definition of continuing treatment.

Child/Parent relationship

For purposes of FMLA leave because of the birth of a son or daughter, in order to care for such son or daughter, because of the placement of a son or daughter with the Team Member for adoption or foster care, and to care for a son or daughter with a serious health condition, a child

will be considered the Team Member's if he or she is the biological, adopted, or foster child, stepchild, or legal ward of the Team Member, or if the Team Member stands in loco parentis, and the child is (A) under 18 years of age; or (B) 18 years of age or older and incapable of self-care because of a mental or physical disability. There is no limit on the number of parents a son or daughter may have for purposes of such FMLA leave.

An Team Member may be in loco parentis even if the Team Member has no biological or legal relationship to the child, if the Team Member assumes (or, in the case of birth or other prospective relationships, intends to assume) obligations incident to the parental relation as a practical matter (note that temporary arrangements for convenience, such as babysitting while parents take a vacation, are not sufficient to be in loco parentis for FMLA purposes). Factors that will be considered in determining whether an Team Member is in loco parentis include, but may not be limited to, the age of the child, the degree to which the child is dependent on the Team Member, the amount of support (if any) the Team Member provides, and the extent to which duties commonly associated with parenthood are exercised by the Team Member (for example, an Team Member who houses and cares for a grandchild because the child's parents are unable to do so, or an Team Member who shares in the upbringing of a child in the Team Member's household who is the son or daughter of the Team Member's life partner, regardless of whether that partnership is legally recognized, may be in loco parentis). Team Members may be required to provide written statements or other reasonable information establishing that children for whom they seek FMLA leave are their sons or daughters as defined by this policy.

Amount of family/medical leave available

Eligible Team Members may take up to 12 weeks of family/medical leave within a rolling 12-month period. A 12-month period is measured backward from the date a Team Member last used family or medical leave.

Military Family Leave under the FMLA

There are two types of Military Family Leave available under the FMLA; Qualifying Exigency leave and Military Caregiver leave.

Qualifying Exigency leave under the FMLA

Eligible Team Members may take up to a total of 12 work weeks of unpaid leave for qualifying exigencies arising out of the fact that Team Member's spouse, son, daughter, or parent is on covered active duty, or has been notified of an impending call or order to covered active duty, in support of a foreign country or contingency operation. Qualifying exigency leave is available to a family member of a military member in the Armed Forces including the National Guard or Reserves.

Covered active duty under the FMLA means:

In the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and

In the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty under a provision of law referred to in Section 101(a)(13)(B) of Title 10, United States Code.

Qualifying exigencies include:

- Issues arising from a covered military member's short notice deployment (i.e. deployment on seven or less days of notice) for a period of seven days from the date of notification.
- Military events and related activities, such as official ceremonies, programs, or events sponsored by the military or family support or assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or the American Red Cross that are related to the covered active duty or call to covered active-duty status of a covered military member.
- Certain childcare and related activities arising from the covered active duty or call to covered active duty status of a covered military member, such as arranging for alternative childcare, providing childcare on a non-routine, urgent, immediate need basis, enrolling or transferring a child in a new school or day care facility, and attending certain meetings at a school or a day care facility if they are necessary due to circumstances arising from the covered active duty or call to covered active duty of the covered military member.
- Making or updating financial and legal arrangements to address a covered military member's absence.
- Attending counseling provided by someone other than a health care provider for oneself, the covered military member, or the child of the covered military member, the need for which arises from the covered active duty or call to covered active-duty status of the covered military member.
- Taking up to five days of leave to spend time with a covered military member who is on short-term temporary rest and recuperation leave during deployment.
- Attending certain post-deployment activities, including attending arrival ceremonies, reintegration briefings and events, and other official ceremonies or programs sponsored by the military for a period of 90 days following the termination of the covered military member's covered active-duty status, and addressing issues arising from the death of a covered military member.
- Any other event that the Team Member and an authorized officer of the Company agree is a qualifying exigency.

Military Caregiver Leave under the FMLA

FMLA provides caregiver leave for wounded service members for an eligible Team Member who is the spouse, son, daughter, parent, or next of kin of a covered service member with a serious injury or illness may take up to a total of 26 work weeks of unpaid leave during a single 12-month period to care for the service member.

A covered service member:

- Is a current member of the Armed Forces, including a member of the National Guard or Reserves; and
- Who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.
- A serious injury or illness is one that was incurred by a service member in the line of duty on covered active duty that may render the service member medically unfit to perform the duties of his or her office, grade, rank or rating.

- Family members of veterans for up to five years after a veteran leaves service if he or she develops a service-related injury or illness that was incurred or aggravated while on active duty.

The single 12-month period begins on the first day the Team Member takes leave for this reason and ends 12 months later, regardless of the 12-month period applicable to any other leave under the FMLA. An eligible Team Member is limited to a combined total of 26 work weeks of leave under the FMLA during the single 12-month period (not more than 12 of the 26 weeks total may be for an FMLA-qualifying reason other than to care for a covered service member).

If two Team Members who are married to each-other work for the Company, the aggregate amount of leave that can be taken by both under the FMLA for the birth of a child or placement for adoption or foster care of a child, or to care for parents with a serious health condition, under the FMLA is 12 weeks within a 12-month period. Note, as the FMLA is a federal law and federal law does recognize marriages between persons of the same sex.

General Provisions

The provisions below are applicable to both family/medical and military family leave under the FMLA.

Measurement method

Except in the case of Military Caregiver Leave, an eligible Team Member's FMLA leave entitlement is limited to a total of 12 work weeks of leave during any 12-month period as measured on a rolling basis, measuring backward from the date the Team Member uses any FMLA leave other than Military Caregiver leave. The single 12-month period applicable to Military Caregiver leave is measured forward from the date the Team Member's first leave to care for the covered service member begins.

Intermittent leave

An eligible Team Member may take leave under the FMLA intermittently (including working a reduced schedule) when medically necessary with respect to qualifying leave for the condition of the Team Member, the Team Member's spouse, the Team Member's child, or for the care of a covered service member. Intermittent leave is also available for Qualifying Exigency leave. Team Members are expected make reasonable efforts to schedule planned medical treatment so as not to unduly disrupt the employer's operations if possible. If intermittent leave is unpaid, the Company reserves the right to reduce the Team Member's salary based on the amount of time actually worked, regardless of whether the Team Member is salaried/exempt. In addition, while a Team Member is on an intermittent leave, the Company may temporarily transfer the Team Member to an available alternative position that better accommodates the recurring leave and that has equivalent pay and benefits.

A Team Member may request intermittent leave to care for the Team Member's own child during the first year following birth, or to care for a child placed with the Team Member for foster care or adoption. Unless the leave is due to the child's serious health condition, the Company may decline to grant such leave on an intermittent basis and instead require that it be taken on a continuous basis.

Pay, Benefits, and Protections During FMLA Leave

Leave is unpaid. Family medical leave is unpaid leave, although Team Members on FMLA leave will receive any compensation they have earned that is payable while on leave. Team Members must use available PTO time to run concurrent while on Family Medical Leave. The substitution of paid leave for unpaid leave does not extend the FMLA period. Furthermore, the substitution of paid leave for unpaid leave cannot result in the receipt of more than 100 percent of a Team Member's salary.

Medical benefits

During an approved leave under the FMLA, the Company will maintain the Team Member's health benefits, if any; as if the Team Member continued to be actively employed (this section does not apply if the Team Member does not participate in a Company-sponsored group health benefit). Both the Team Member and the Company will continue to be responsible for their respective shares of premium on the same terms as if the Team Member were actively at work (if paid time is substituted, regular payroll deductions will be made for health coverage from applicable pay). Because Team Members remain eligible for health group benefits, taking FMLA leave does not constitute a COBRA-qualifying event, however, if a Team Member does not return to work at the end of FMLA leave COBRA continuation may apply. The Team Member will continue to pay the Team Member portion of the premium or make payment arrangements while on FMLA leave to pay their portion of the medical insurance. If the Team Member does not return to work at the end of FMLA leave the Company may recover from the Team Member any premium paid by it for the Team Member during FMLA leave.

Other benefits

Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of the Team Member's leave.

Reinstatement at the end of FMLA leave

Upon return from FMLA leave, eligible Team Members must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. However, Team Members are subject to no greater right to employment than if they had not taken leave. Also, if a Team Member does not return to work within the time prescribed by the FMLA, the Team Member has no right to reinstatement.

Other legally protected leave. In some cases, leave under the FMLA will also be subject to other laws that provide legally protected leave. This will often depend on applicable state law and will be determined on a case-by-case basis. Where types of legally protected leave are permitted to be used simultaneously the presumption will be that they are being used simultaneously unless the Company confirms otherwise in writing.

FMLA Leave Procedure

Notification by Team Members of need for leave.

The Company cannot know that FMLA leave is needed, and cannot provide FMLA entitlements, unless Team Members first appropriately notify the Company of their need for leave in sufficient detail for the Company to understand that FMLA leave is appropriate. If the need to use FMLA leave is foreseeable, Team Members must give the company at least 30 days prior notice of the need to take leave. When 30 days-notice is not possible, Team Members must give notice as far in advance as practicable under the circumstances. In an emergency where advance notice of the need for leave cannot be given, Team Members (or their representatives if Team Members are medically unable to give notice themselves) are required to notify the Company as soon as reasonably practicable. Failure or unreasonable delay in providing notice may be grounds for delaying the start of the FMLA leave and may have other adverse consequences.

Requests for FMLA leave should be directed to Human Resources using the Request for Family/Medical Leave form available from Human Resources.

When submitting a request for leave, the Team Member must provide sufficient information for the Company to determine if the leave might qualify as FMLA leave and provide information on the anticipated date when the leave would start as well as the anticipated duration of the leave. Team Members also must inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified.

Notification to Team Members of leave availability

Once the Company is aware of a request for FMLA leave under the procedures outlined in this policy and has received the information it needs, it will inform the requesting Team Member of the availability of FMLA leave. Assuming FMLA leave is available under the circumstances, Team Members will be given a written notice that includes details of the leave that is being granted. If FMLA leave is not available, the Company will notify the Team Member.

Medical certification and recertification

Team Members who request leave because of their own or a covered relation's serious health condition must supply substantiating medical certification. Team Members may obtain medical certification forms from Human Resources. The Company will inform requesting Team Members of when medical certifications must be provided (in any event no more than 15 days after leave is requested). Team Members should plan on providing medical certification prior to taking leave where the need for leave is foreseeable. The Company may require subsequent medical recertification. Failure to provide requested recertification within 15 days, except in extraordinary circumstances, may result in the delay of further FMLA leave (meaning that interim leave may not be protected by the FMLA). Team Members taking FMLA leave for their own serious health condition may also be required to provide a fitness-for-duty certification upon return to work, including during intermittent leave.

Exception for highly compensated Team Members

The company may deny FMLA leave to highly compensated Team Members if it determines that granting FMLA leave would result in substantial economic injury to the company. This determination is made on a case-by-case basis. For purposes of the FMLA, highly compensated

Team Members are the most highly paid 10% of Team Members within a 75-mile radius of a covered worksite. The Company will notify Team Members if FMLA leave is denied on this basis.

Staying in touch while on leave.

Team Members who take leave because of their own serious health condition or to care for a covered relation must contact Human Resources on a weekly basis regarding the status of the need for leave and intention to return to work. Team Members who unequivocally indicate that they do not intend to return to work while protected by the FMLA may no longer be considered on FMLA leave.

Requesting additional leave

Team Members who need to extend FMLA leave beyond what was originally granted must contact Human Resources as soon as practicable upon becoming aware of the need for additional leave personally or if that is not possible, through their representatives. The Company may request appropriate substantiation (such as medical certification if applicable) of the need for additional leave in reviewing requests. If a request is granted, the Company will notify the Team Member of the new terms of leave. The Company may, but is not required to, grant leave beyond that required by the FMLA. Any leave beyond that required by the FMLA will not be subject to the protections of the FMLA.

Returning to work

Team Members wishing to return to work from FMLA leave must give notice to Human Resources as soon as practicable (a return-to-work date may be agreed upon at any point during FMLA leave). If a date is not previously agreed, the Company generally requires at least two business days' notice to restore a Team Member to work from FMLA leave.

* Note: Team Members who are not eligible for FMLA (who may take unpaid approved leave) who are enrolled in Health insurance will be offered Team Member paid COBRA while on leave.

Leave of Absence (NON-FMLA)

Leaders Holding Co™ provides leaves of absence without pay to Team Members who need to take time off from work duties to fulfill personal obligations. Team Members may request a leave of absence only after the completion of one year of service. As soon as eligible Team Members become aware of the need for a leave of absence, they should request a leave from their supervisor.

Personal leave or medical leave (not covered under FMLA) may be granted for a period of up to 30 days every rolling calendar year. A Team Member will be required to use any available PTO time at the beginning of this leave.

Requests for leave will be evaluated based on several factors, including anticipated workload requirements and staffing considerations during the proposed period of absence. Subject to the terms, conditions, and limitations of the applicable plans, Team Members will become responsible for the full costs of health insurance benefits if they wish coverage to continue during periods of leave. When the Team Member returns from leave, benefits will again be provided in accordance with the applicable plan provisions.

When a personal or non-FMLA medical leave ends, the Team Member may be returned to the same position, if it is available, or to a similar available position for which the Team Member is qualified. However, Leaders Holding Co™ cannot guarantee reinstatement in all cases. If a Team Member fails to report to work promptly at the expiration of the approved leave period, Leaders Holding Co™ will assume the Team Member has resigned.

Bereavement Leave

All full-time Team Members who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. Two (2) paid days off for bereavement leave will be provided per approved request.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Team Members may, with their supervisors' approval, use any available paid leave for additional time off as necessary.

Leaders Holding Co™ defines "immediate family" as the Team Member's spouse, parent, child, sibling, grandparents, grandchildren and comparable in-law or step relation.

Jury Duty

Leaders Holding Co™ encourages team members to fulfill their civic duty by serving jury duty when called upon. A team member who is summoned to jury duty will be granted paid leave for all hours required for such duty, not to exceed 8 hours in a day.

If the jury duty does not require absence for the entire workday, the team member should return to their scheduled work immediately upon release by the court. Any jury fees paid to the team member may be kept by the team member.

Team members must show the jury duty summons to their supervisor as soon as possible so that the supervisor may plan to accommodate their absence.

Time Off to Vote

Leaders Holding Co™ encourages Team Members to fulfill their civic responsibilities by participating in elections. Generally, Team Members can find time to vote either before or after their regular work schedule.

Crime Victims Leave

Team Members who have been a victim of certain crimes are able to take up to 3 working days of unpaid leave in a 12-month period. Paid Time Off may be substituted for unpaid time under this leave. Team Members who take leave must provide sufficient documentation and notice as soon as possible. Please contact your supervisor or Human Resources to request this leave.

Military Leave (USERRA)

A military leave of absence will be granted to Team Members who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment

and Reemployment Rights Act (USERRA¹). Advance notice of military service is required, unless military necessity prevents such notice, or it is otherwise impossible or unreasonable.

The leave will be unpaid. However, Team Members may use any available paid time off for the absence.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions, and limitations of the applicable plans for which the Team Member is otherwise eligible.

Benefit accruals, such as PTO, a leave of absence, or holiday benefits, will be suspended during the leave and will resume upon the Team Member's return to active employment.

Team Members on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Team Members on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Team Members returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for the purpose of determining benefits based on length of service.

Contact Human Resources for more information or questions about military leave.

¹ Under USERRA, uniformed services consist of the following: Army, Navy, Marine Corps, Air Force, Coast Guard, Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, Coast Guard Reserve, Army National Guard, Air National Guard, Commissioned Corps of the Public Health Service and any other category of persons designated by the President in time of war or emergency. State laws may expand the uniformed services definition

HEALTH AND SAFETY

To assist in providing a safe and healthful work environment for Team Members, customers, and visitors, Leaders Holding Co™ has established a workplace safety program. This program is a top priority for the Company. The President has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all.

Leaders Holding Co™ provides information to Team Members about workplace safety and health issues through regular internal communication channels such as supervisor-Team Member meetings, bulletin board postings, memos, or other written communications.

Each Team Member is expected to obey safety rules and to exercise caution in all work activities. Team Members must immediately report any unsafe condition to the appropriate supervisor. Team Members who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, are in clear violation of this policy.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, Team Members should immediately notify the appropriate supervisor. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures. Depending on the seriousness of the injury, may be referred to the clinic for treatment...

The following is a summary of safety rules; common sense should always be used around equipment. These rules will be enforced and are for the protection of all of us. Please follow them and ask your fellow Team Members to do the same. Please report any unsafe actions to your supervisor. Discipline for safety violations will depend on the severity of the individual violation.

If recurring safety violations occur, you will be subject to disciplinary actions up to and including termination.

- Every Team Member is responsible for housekeeping. Each work area must be kept clean and orderly.
- No running or horseplay.
- Proper safety equipment must be worn.
- No unauthorized personnel are allowed in work area.
- Care should be used when lifting or moving materials. Get help if a load is too heavy or awkward to lift.

Smoking Policy

Smoking is not allowed anywhere in the facility. There is a specifically designated area outside designated for smoking. Smoking is not allowed in client areas, the front of the building or showroom, in company vehicles, or in restrooms. Please be especially attentive to the sensitivities of clients or fellow Team Members who may object to smoking. Any Team Member working in an area in which smoking is permitted who has a sensitivity to smoke or is otherwise affected by smoking should contact his or her manager.

Housekeeping

Neatness and good housekeeping are signs of organization and efficiency. You are expected to always keep your work area neat and orderly – this is a required safety precaution and creates a good impression for visitors.

Easily accessible trash receptacles and recycling containers (where applicable) are located throughout the offices. Please put all litter and recyclable materials in the appropriate receptacles and containers. Always be aware of good health and safety standards, including fire and loss prevention. Please report anything that needs repairing or replacing to your supervisor or the President immediately.

Visitors in the Workplace

To provide for the safety and security of Team Members and the facilities at Leaders Holding Co™, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards Team Member welfare, and avoids potential distractions and disturbances.

Because of safety and security reasons, family and friends of Team Members are discouraged from visiting warehouse and corporate Team Members. In cases of emergency, Team Members will be called to meet any visitor outside their work area.

All visitors should enter Leaders Holding Co™ at the main entrance. Authorized visitors will receive directions or be escorted to their destination. Team Members are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on Leaders Holding Co™ premises, Team Members should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

Workplace Violence

The company is committed to preventing workplace violence and to maintaining a safe work environment. The company has adopted the following guidelines to deal with threats of (or actual) violence that may occur during business hours or on its premises.

All Team Members, including supervisors and temporary Team Members, should always be treated with courtesy and respect. Team Members are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of the company.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by Team Members, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening.

The company will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. To maintain workplace safety and the integrity of its investigation, the company may suspend Team Members, either with or without pay, pending investigation.

SUBSTANCE ABUSE POLICY-(DOT)

It is the overall objective of Leaders Holding Co™, also known through this document as The Company, to maintain a drug and alcohol-free work force and to eliminate the safety risks, lost time and reduced productivity that results from the use of and the influence of alcohol and/or drugs in the workplace. The Company will implement this policy and conduct screenings of job applicants and Company Team Members for illegal drugs, improper use of prescription drugs and alcohol.

The Company will ensure that testing procedures are conducted in a fair and unbiased manner and the rights of applicants subject to testing are protected. The Company will make every effort to protect the dignity and self-esteem of those being tested by complying with the standards of confidentiality set forth in this policy. The implementation of this program is intended to deter the use of drugs and alcohol in the workplace in accordance with the United States Department of Transportation (USDOT) Federal Highway Administration (FHWA) regulations 49 Code of Federal Regulations (CFR) Part 40 entitled, "Procedures for Transportation Workplace Drug Testing Programs", part 382, entitled "Controlled Substances and Alcohol Use and Testing".

It has been estimated that Team Members who abuse alcohol or drugs have two times as many accidents, three times as many vehicular accidents, and use three times as much sick time as those who do not. To maintain a drug-free work force and to eliminate the safety risks, lost time and reduced productivity that results from the use and the influence of alcohol and/or drugs in the workplace, the Company has adopted a substance abuse policy.

The intention of this policy is to make Leaders a safer and better place to work.

POLICY STATEMENT:

The use, possession, purchase, sale or manufacture of alcohol, illegal drugs, or non-prescribed drugs or being under the influence of alcohol, illegal drugs, or non-prescribed drugs while on Company property, while operating Company vehicles, or while engaging in Company business is strictly prohibited.

Section I: SCOPE: / TEAM MEMBERS SUBJECT TO TESTING:

All applicants for full or part time positions at Leaders Holding Co™ and all full-time Team Members being considered for, or currently performing safety sensitive duties as defined by Title 49, Code of Federal Regulations. This applies to every person who operates a commercial motor vehicle in interstate or intrastate commerce and is subject to the commercial driver's license requirements of 49 CFR part 383.

DEFINITIONS

Alcohol:

- Alcohol means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl alcohol.
- No Team Member shall report for duty or remain on duty requiring the performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater.
- No Team Member shall be on duty or operate a commercial motor vehicle while the driver possesses alcohol unless the alcohol is manifested and transported as part of a shipment.
- No Team Member shall use alcohol while performing safety-sensitive functions.
- No Team Member shall perform safety-sensitive functions within four hours after using alcohol.
- No Team Member required to take a post-accident test shall use alcohol for eight hours following the accident, or until he/she undergoes a post-accident alcohol test, whichever occurs first.

Controlled Substance:

The U.S. Department of Transportation (DOT) requires testing for amphetamines, cannabinoids, cocaine, opiates, phencyclidine, and illegal substances or non-prescribed drugs. No Team Member shall report for duty or remain on duty requiring the performance of safety-sensitive functions when the Team Member uses any controlled substance, except when the use is pursuant to the instructions of a physician who has advised the Team Member that the substance does not adversely affect the Team Member's ability to safely operate a commercial motor vehicle. No Team Member shall report for duty, remain on duty or perform a safety-sensitive function, if the Team Member tests positive for controlled substances.

Prescribed Medications:

All Team Members in safety-sensitive functions taking prescribed medications that could impair their ability to safely operate a commercial motor vehicle or related activities associated with loading, unloading, inspection and maintenance or other activity that is classified as "on duty time" 49 CFR 395.2, must report this to their immediate supervisor or substance abuse manager as directed by this policy.

Section II: Participation as a Requirement of Employment

Participation in the Company Drug and Alcohol-Free Workplace Program is a requirement of each safety-sensitive Team Member, and therefore, is a condition of employment. Safety-sensitive Team Member is defined as a Team Member that performs the following functions:

- a) Operates Commercial Driver License (CDL) vehicles or revenue service vehicles including when not in service;
- b) Operates Non-revenue service vehicles that require drivers to hold CDL's;
- c) Dispatch or control CDL vehicles or revenue service vehicles;
- d) Maintain CDL vehicles or revenue service vehicles;
- e) Activities involved with loading, unloading or inspecting CDL vehicles;

Section III: Prohibited Conduct:

Company prohibits any alcohol misuse and/or any drug use that could affect performance of safety-sensitive functions, including:

Alcohol:

1. Use while performing safety-sensitive functions
2. Use during 4 hours before performing safety-sensitive functions.
3. Reporting for duty or remaining on duty to perform safety-sensitive functions with an alcohol concentration of 0.04 or greater.
4. Possession of alcohol unless the alcohol is manifested and transported as part of a shipment.
5. This includes the possession of medicines containing alcohol (prescription or over-the-counter), unless the packaging seal is unbroken.
6. Use during the 8 hours following an accident, or until he/she undergoes a post-accident test.
7. Refusal to take a required test.

Note: An Team Member found to have an alcohol concentration of 0.02 or greater but less than 0.04 shall not perform, nor be permitted to perform, safety-sensitive functions for at least 24 hours.

Controlled Substance:

1. Use of any drug, except by doctor's prescription, and then only if the doctor has advised the driver that the drug will not adversely affect the Team Member's ability to safely operate the CMV.
2. Testing positive for drugs;
3. Refusing to take a required test.

Consequences and Disqualifications:

1. The Team Member shall not perform, or be permitted to perform, a safety-sensitive function if any of the above listed prohibitions are violated.
2. Any Team Member violating these prohibitions will be referred to a Substance Abuse Professional (SAP) for evaluation, regardless of employment status.

Section IV. Testing Circumstances:

A. Pre-Employment Testing:

All applicants for part-time or full-time and all persons transferring from non-safety-sensitive positions at the Company will be directed to submit to a Controlled Substance test. A drug test will be conducted during the pre-employment process and a negative drug test result must be received before a final offer of employment is made.

B. Post-accident Testing:

Any Team Member while operating a Company vehicle or equipment or conducting company business is involved in an accident that involves a fatality, or any accident in which the driver is issued a citation under state or local law for a moving traffic violation arising from the accident, or if any vehicle involved was towed or any person in any vehicle involved was transported for medical treatment, that Team Member will be required to submit to an Alcohol and a Controlled Substance test. Testing will be administered immediately following the accident or as soon as medically and legally possible. If a Team Member refuses testing, they will be immediately terminated. The alcohol test must be administered within 2 hours following the accident and in no case shall more than 8 hours elapse before the test is administered. It is the Team Member's

responsibility to notify the Company immediately to ensure actions are taken to meet the testing requirements. If the test for controlled substances or alcohol is positive, the Team Member will be immediately terminated and not eligible for reemployment for two years.

Note: Nothing in this requirement should be construed as to require the delay of necessary medical attention for injured people following an accident.

C. Random Testing:

- All Team Members of the Company in safety-sensitive positions will be subject to random testing for alcohol and controlled substances. Random testing will be done on a percentage basis in a fair and equal manner.
- For alcohol testing a Team Member shall only be tested while the Team Member is performing safety-sensitive functions, immediately prior to performing, or immediately after performing safety-sensitive functions. For drug testing a Team Member may be tested at any time the Team Member is at work for the Company. Selection of Team Members for random testing will be made by a scientifically valid method, such as a random number table or a computer-based random number generator that is matched with drivers' Social Security numbers, payroll identification numbers, or other comparable identifying numbers.
- Each time a random selection is made, every Team Member will have an equal chance of being selected. Random tests will be unannounced and spread reasonably throughout the year. Team Members, when notified that they have been selected for random testing will proceed immediately to the collection site.

D. Reasonable Suspicion Testing:

Any Team Member while on Company property, or while engaging in Company business, acts in an abnormal manner sufficient to cause reasonable suspicion that he/she has violated this policy, he/she will be required to submit to an alcohol and/or a controlled substance test upon the approval and direction of an officer of the Company.

E. Return-to-duty Testing:

The Team Member is allowed to return-to-duty following referral, evaluation, and treatment because of a positive alcohol or drug test will be required to submit to a return-to-duty alcohol and/or controlled substance test. An alcohol concentration of less than 0.02 and a negative drug test will be required before a return-to-duty decision is made.

F. Follow-up Testing:

In the event a Team Member is allowed to return-to-duty following referral, evaluation, and treatment, a minimum of 6 unannounced alcohol and/or drug tests will be required during the next 12 months of employment. Follow-up testing may continue for up to 60 months following return-to-duty at the Company's discretion, based on recommendations from the Substance Abuse Professional.

All alcohol testing will be done immediately before, during, or immediately after performing safety sensitive functions. Controlled substance testing may be performed at any time the Team Member is at work for the Company.

Section V: Testing Procedures:

A. Breath Alcohol Technician (BAT):

Alcohol testing will only be performed by a certified Breath Alcohol Technician (BAT) trained and certified in the principles of Evidential Breath Testing Devices (EBT) methodology, operation, and calibration checks; the fundamentals of breath analysis for alcohol content; and the procedures required for obtaining a breath sample and interpreting and recording EBT results.

Evidential Breath Testing Devices (EBT):

Alcohol testing will only be performed using evidential breath testing devices (EBT's) approved by the National Highway Traffic Safety Administration (NHTSA).

Alcohol testing must be either performed by a Certified BAT employed by the Company or an outside BAT. All alcohol testing will be conducted in a location that affords visual and aural privacy to the individual being tested. Unauthorized persons will not be permitted access to the testing location when a test is in progress.

Alcohol testing will be performed using only the U.S. Department of Transportation Breath Alcohol Testing Form.

ALCOHOL TESTING PROCEDURES:

Using the Evidential Breath Testing Device, the certified Breath Alcohol Technician will open an individually sealed mouthpiece and attach it to the EBT. The Team Member will be instructed to blow into the mouthpiece forcefully until an adequate amount of breath has been obtained. The EBT will record the result and display it on the device and print the result immediately. The result will be recorded on the Breath Testing Form and attached to the form with tamper proof tape. When the result is less than 0.02, no further testing is authorized, and the result will be transmitted to the Company in a confidential manner and will be stored to ensure confidentiality is maintained.

When the result is 0.02 or greater, a confirmation test must be performed to verify the initial test. The confirmation test will be conducted no less than 15 minutes and no more than 20 minutes after the initial test. In the event the initial and confirmation test results are different, the confirmation test result is deemed to be the result upon which any action under the terms of this policy shall be based.

Following the completion of the test, the BAT will date the form and sign the certification on the form. The Team Member will sign the certification and fill in the date on the form. This ensures that each Team Member is attesting to the fact that the reported result is specific to the Team Member.

Refusal to test will be treated the same as if the result is 0.04 or greater.

Leaders Holding Co™ will maintain alcohol and drug test results in a secure and confidential manner, so that disclosure of information to unauthorized persons does not occur. Team Member information shall only be released as required by law or as expressly authorized.

- A Team Member shall have access to any of his/her alcohol and drug testing records upon written request.
- The Company must allow any DOT authorized agency access to facilities and records in connection with the Company's alcohol misuse and drug abuse prevention program.
- When requested, the Company shall disclose post-accident testing information to the National Transportation Safety Board as part of an accident investigation.
- The Company will make records available to a subsequent employer upon receipt of a written request from the Team Member.

- The Company may disclose information to the Team Member or to the decision-maker in a lawsuit, grievance, or other proceeding initiated by or on behalf of the individual. This may include worker's compensation, unemployment compensation, or other proceeding relating to a benefit sought by the Team Member.

If a Team Member attempts but fails to provide an adequate amount of breath the Company will be immediately notified and will direct the Team Member to obtain, as soon as practical, an evaluation from a licensed physician who is acceptable to the Company concerning the Team Member's medical ability to provide an adequate amount of breath. If the physician determines that there is a medical reason that prevents the Team Member from providing an adequate amount of breath, he/she will provide the Company with a written statement of the basis for his or her conclusion. If the physician determines there is no medical reason to prevent the Team Member from providing an adequate amount of breath, he/she will provide the Company with a written statement of the basis for his or her conclusion and it will be regarded as a refusal to take the test. The terms of this policy will then be administered.

B. Drug Testing Procedures:

Specific guidelines will be followed in urine specimen collections for the purpose of drug testing. In accordance with the Department of Health and Human Services (DHHS) guidelines a clear and well documented procedure for collection, shipment, and accession of urine specimens from the Company to the laboratory. Procedures will account for the integrity of each urine specimen by tracking its handling and storage from point of specimen collection to final disposition of the specimen.

Drug tests will be conducted at Concentra Care, Baycare Urgent Care, LabCorp or Quest Diagnostics. These facilities meet security requirements as specified by DHHS guidelines. The collection site will be a secure location to allow for maximum privacy, which includes a toilet for completion of urination, a source of water for washing hands and, where practicable, excluded from the area provided for urination. No other person will be present or gain access to the collection area during the collection process. All specimens must remain in the direct control of the collection site person. No one other than the collection site person may handle specimens prior to their being placed securely in the mailing container. When reporting to a collection site for specimen collection each Team Member will be required to provide a photo I.D. Team Members will be asked to remove all unnecessary outer garments (i.e., coat or jacket), and secure all personal belongings (individual may retain his/her wallet).

Team Members will be allowed to provide his/her specimen in the privacy of a stall under strict supervision. A split sample method of collection will be used. At least 45 ml of urine must be collected, 30 ml to be used as the primary specimen and 15 ml to be used as the split specimen. Both bottles will be shipped in a single container.

If the collection site person believes tampering or adulteration has occurred, a second specimen shall be collected immediately under the direct observation of a same gender collection site person. Both samples will be sent to the lab. Refusal to test will be handled the same as a verified positive result. In all cases the Team Member and the collection site person shall always keep the specimen in view prior to being sealed and labeled. The specimen will be labeled with tamperproof seals and the Team Member will sign appropriate places on the Chain of Custody and initial the seal on the bottle attesting to the fact that the specimen is specific to the individual providing the sample.

TESTING METHODOLOGY:

Only laboratories certified by the Department of Health and Human Services (DHHS) will be used for drug urinalysis. Every specimen is required to undergo an initial screen followed by confirmation of all positive screen results. This screen-confirmation process utilizes highly sophisticated techniques to detect minute levels of prohibited substances in urine.

Reporting of Results:

The laboratory is required to report the test results directly to the Company's Medical Review Officer (MRO) within 5 working days. The report shall indicate the drug/metabolites tested for, whether the results are positive or negative, the specimen number assigned by the Company and the drug testing laboratory identification number.

Review of Results/MRO:

The medical review officer (MRO) is a licensed physician and possesses knowledge of drug abuse disorders. The MRO may be a Team Member of the Company or one contracted to provide the services required. The MRO will review and interpret positive results obtained from the laboratory. The MRO through a verification process will assess and determine whether alternate medical explanations could account for the positive test results. The MRO may conduct medical interviews of the Team Member, review the Team Member's medical history and review any other relevant bio-medical factors. Additionally, the MRO will examine all medical records and data made available by the tested individual, such as evidence of prescribed medications.

As a part of the verification process the MRO is prohibited from verifying a test negative based on information that a physician recommended that the Team Member use a drug listed in Schedule I of the Controlled Substances Act. (e.g., under a state law that purports to authorize such recommendations, such as the "medical marijuana" laws that some states have adopted).

The MRO will give the individual testing positive an opportunity to discuss the test results prior to making a final decision. After the final decision is made, the MRO will notify the Company as prescribed below. If during an interview with a Team Member who has tested positive, the MRO learns of a medical condition, which could, in the MRO's reasonable medical judgment, pose a risk to safety, the MRO may report that information to the Department of Transportation (DOT) or to the Company.

The MRO will notify each Team Member who has a confirmed positive test that the Team Member has 72 hours in which to request a test of the split specimen. If the Team Member makes such a request, the MRO will direct, in writing, the laboratory to provide the split specimen to another certified laboratory for analysis. If the analysis of the split specimen fails to reconfirm the presence of the drug(s) or drug metabolite(s) found in the primary specimen, or if the split specimen is unavailable, inadequate for testing or not testable, the MRO will cancel the test and report cancellation and the reasons for it to the DOT, the Company, and the Team Member. A request for testing of the split sample and associated costs are the responsibility of the Team Member. If the MRO, after making and documenting all reasonable efforts, is unable to contact the tested person, the MRO will contact a designated management official of the Company to arrange for the Team Member to contact the MRO prior to going on duty. Within 5 days after a documented contact by designated management official of the Company instructing the Team Member to contact the MRO, the Team Member has not done so the MRO will verify the test positive and report it to the Company.

Section VI: Discipline and Consequences:

A. Pre-Employment/Pre-duty:

An applicant for part-time, full-time or transfer from non-safety-sensitive to a safety-sensitive position with a verified positive controlled substance test result and/or a confirmed breath test result of 0.04 or greater will be denied employment.

If the alcohol breath test result is 0.02 or greater but less than 0.04, the applicant will:

- a) be denied employment for 6 months; and can reapply at that time.
- b) Pre-duty to safety sensitive position be subject to a follow-up test after 24 hours and prior to performing a safety sensitive function to verify test result is below 0.02.
- c) If an applicant's drug or alcohol test is positive, he/she will not be hired, and will not be considered for employment for a six-month period following the date of the test.

The applicant will then be considered when:

- a) he/she provides proof of successfully completing a drug and/or alcohol rehabilitation program.
- b) passes a pre-placement drug and/or alcohol test.

B. Reasonable Cause:

Any Team Member of the Company subject to the terms of this policy, as a result of reasonable cause testing, with a verified positive controlled substance test result and/or an alcohol breath test with a confirmed test result of 0.04 or greater will:

- a) be referred to a Substance Abuse Professional
- b) be removed from the safety-sensitive position and/or terminated.
- c) (If not terminated) the Team Member shall be subject to a minimum of six follow-up test within the first 12 months following rehabilitation.
- d) A follow-up breath alcohol test of .02 - .039 will result in a five (5) day suspension without pay. The second occurrence of a follow-up breath alcohol test result of .02 - .039 within a sixty (60) month period will result in termination.
- e) be terminated if he/she refuses to submit to a test.

If the confirmed alcohol breath test result is 0.02 or greater but less than 0.04 the Team Member will be subject to disciplinary action including termination. The Team Member will be removed from safety sensitive duties for at least 24 hours.

C. Post-Accident:

Any Team Member of the Company subject to the terms of this policy, because of a post-accident test, with a verified positive controlled substance test result and/or a confirmed alcohol breath test with a confirmed test result of 0.04 or greater:

- a) Will be disciplined; must enroll in a substance abuse program and/or depending on the drug result can be immediately terminated.

D. Random:

- a) If a Team Member tests positive for a controlled substance or alcohol, it will be at Leader's discretion to terminate the Team Member immediately or refer to a Substance Abuse Professional depending on the results of the positive drug or alcohol test.
- b) If the Team Member is allowed to remain as an active Team Member, they will be removed from any safety-sensitive position. If not terminated the Team Member shall be

subject to a minimum of six follow-up tests within the first 12 months following rehabilitation; A follow-up breath alcohol test of .02 - .039 will result in a five (5) day suspension without pay. A second occurrence of a follow-up breath alcohol test result of .02 - .039 within a sixty (60) month period will result in termination.

- c) terminated if he/she refuses to submit to a test.
- d) Any Team Member of the Company subject to the terms of this policy, because of a random test, with a verified positive controlled substance test result and/or a confirmed alcohol breath test with a confirmed test result of 0.04 or greater will:
 - a. Team Member will be removed from the safety-sensitive duties for at least 24-hours.
 - b. If the confirmed alcohol breath test result is 0.02 or greater but less than 0.04 the Team Member will be subject to disciplinary action including...
 - c. be referred to a Substance Abuse Professional or immediately terminated.
 - d. be removed from the safety-sensitive position and/or terminated; the Team Member shall be subject to a minimum of six follow-up test within the first 12 months following rehabilitation; A follow-up breath alcohol test of .02 - .039 will result in a five (5) day suspension without pay. A second occurrence of a follow-up breath alcohol test result of .02 - .039 within a sixty (60) month period will result in termination.
 - e. terminated if he/she uses alcohol within eight hours following the accident, or prior to submitting to an alcohol test, whichever comes first.

E. Return to Duty

The following conditions must be met prior to a Team Member returning to duty after a positive drug or alcohol test result:

- a) the Team Member must submit to another breath alcohol test and receive a test result below .02,
- b) the Team Member must receive a negative drug test result.

Substance Abuse Professional (SAP) Services:

In all cases with a verified positive controlled substance test result and/or a confirmed alcohol breath test result the Team Member will be referred to a Substance Abuse Professional (SAP) for evaluation, referral and treatment. The referral to the SAP applies even if the Team Member is terminated. Supervisory Training as required by DOT will be provided to all supervisors.

Educational materials as required by DOT will be provided to all Team Members in safety-sensitive positions.

Section VII: Effects of Alcohol and Drugs on the Body

A. Alcohol

Alcohol is a central nervous system depressant and is the most widely abused drug.

A 12-ounce can of beer; a 5-ounce glass of wine and a 1-1/2 ounce shot of hard liquor all contain the same amount of alcohol. Coffee, cold showers and exercise do not quicken sobriety. Each one-half ounce of alcohol takes the average body about one hour to process and eliminate. Alcohol first acts on those parts of the brain that affect self-control and other learned behaviors. Low self-control often leads to the aggressive behavior associated with some people who drink. In large

doses, alcohol can dull sensation and impair muscular coordination, memory, and judgment. Taken in larger quantities over a long period of time, alcohol can damage the liver and heart and can cause permanent brain damage. On the average heavy drinkers shorten their lifespan by about 10 years.

Other Effects

- impaired driving ability
- impaired vision and judgment
- reduced coordination and reflex action
- overindulgence (hangover) can cause headaches, nausea, dehydration, unclear thinking, aching muscles, etc.

You may observe slurred speech, bloodshot and watery eyes, poor balance, odor on breath, and involuntary or sudden movement of the eyes.

B. Marijuana

Marijuana is also called grass, pot, weed, Mary Jane, Acapulco Gold, joint, roach, and other street names. Marijuana stays in the body for up to 28 days, depending on usage.

Marijuana alters sense of time and reduces the ability to perform tasks requiring concentration, swift reactions, and coordination. The drug has a significant effect on judgment, caution, and sensory or motor abilities.

Other Effects

- Impairs driving ability for at least 4-6 hours after smoking one 'joint';
- Inability to concentrate;
- Restlessness;
- Increased heart rate and blood pressure;
- Erratic behavior and rapidly changing emotions;
- Altered sense of identity;
- Impaired memory;
- Dulling of attention;
- Hallucinations, fantasies and paranoia;
- Reduction or temporary loss of fertility;

Section VII: Effects of Alcohol and Drugs on the Body (Cont.)

You may observe bloodshot eyes, muscular tremors, (involuntary quivering), impaired time and distance perception, short attention span, disoriented behavior, and inability to divide attention.

C. Cocaine

Cocaine is a stimulant drug, increasing heart rate and blood pressure. As a powder, cocaine is inhaled (snorted), ingested, or injected. It is known as coke, snow, nose candy, lady, and various street names. Cocaine is also used, and free-base cocaine known as crack or rock, which is smoked. It acquired its name from the popping sound heard when it is heated. Some people think that because crack is smoked it is safer than other forms of cocaine use. It is not. Crack cocaine is

one of the most addictive substances known today. The crack high is reached in 4-6 seconds and lasts about 15 minutes.

Cocaine

One of the most dangerous effects of crack is that it can cause vomiting, rapid heartbeat, tremors and convulsive movements. All of this muscle activity increases the demand for oxygen, which can result in a cocaine induced heart attack. Since the heat-regulating center in the brain is also disrupted, dangerously high body temperatures can occur. With high doses, brain functioning, breathing and heartbeat are depressed -- leading to death.

Other Effects

- A “rush” of pleasurable sensations;
- Heightened, but momentary feeling of confidence, strength and endurance;
- Accelerated pulse, blood pressure and respiration;
- Impaired driving ability;
- Paranoia, can trigger mental disorders in users prone to mental instability;
- Repeated sniffing/snorting causes irritation of the nostrils and nasal membrane;
- Mood swings;
- Anxiety;
- Reduced sense of humor;
- Compulsive behavior such as teeth grinding or repeated hand washing;

You may observe uncontrolled talkativeness, difficulty in focusing the eyes, dilated pupils, excitable behavior, sniffles and/or runny nose, body tremors, teeth grinding, and distorted thinking.

D. Amphetamines

Amphetamines are drugs that stimulate the central nervous system and promote a feeling of alertness and an increase in speech and general physical activity. Some common street names for amphetamines are speed, uppers, black beauties, bennies, wakeups, footballs, and dexies. People with a history of sustained low dose use quite often become dependent and believe they need the drug to get by. These users frequently keep taking amphetamines to avoid the “down” mood they experience when the “high” wears off.

Even small, infrequent doses can produce toxic effects in some people. Restlessness, anxiety, mood swings, panic, heartbeat disturbances, paranoid thoughts, hallucinations, convulsions, and coma have been reported. Long-term users often have acne resembling measles, trouble with their teeth, gums and nails, and dry, dull hair. Heavy, frequent doses can produce brain damage resulting in speech disturbances.

Section VII: Effects of Alcohol and Drugs on the Body (Cont.)

Amphetamines - Other Effects

- Loss of appetite;
- Anxiety, irritability, apprehension;
- Difficulty in focusing eyes;
- Increased heart rate and blood pressure;
- Distorted thinking;

- Perspiration, headaches and dizziness
- short-term insomnia;

You may observe dilated pupils, distorted thinking, and exaggerated reflexes, hallucinations, teeth grinding, anorexia, loss of coordination and physical collapse.

Physical exertion increases the hazards of stimulants because these drugs already increase heart rate and blood pressure. Fatalities have been reported among athletes who have taken even moderate amounts of stimulants.

E. Opiates

Opiates, including heroin, morphine, and codeine are narcotics used to relieve pain and induce sleep. Common Street names are horse, hard stuff, morpho, M, brown sugar, Harry, Mr. H., junk and smack. Heroin accounts for 90% of the narcotic abuse in this country. Narcotics found in prescription medicines are sometimes abused. This includes pain relievers containing opium and cough syrups containing codeine. Heroin is illegal and cannot even be obtained with a physician's prescription.

Most medical problems are caused by the uncertain dosage level, use of unsterile needles, contamination of the drug, or combination of a narcotic with other drugs. These dangers depend on the specific drug, its source and the way it is used.

Other Effects

- Impaired driving ability;
- Short-lived state of euphoria;
- Drowsiness followed by sleep;
- Constipation;
- Decreased physical activity;
- Reduced vision;
- Change in sleeping habits;
- Possible death;

You may observe constricted pupils, droopy eyelids, dry-mouth, low raspy speech, depressed reflexes and poor coordination.

F. PCP

Phencyclidine or PCP, also called angel dust, rocket fuel, super kools, and killer weed was developed as a surgical anesthetic in the late 1950's. Later, due to its unusual side effects in humans, it was restricted to use as a veterinary anesthetic and tranquilizer. Today it has no lawful use and is no longer legally manufactured. PCP is a very dangerous drug. It can produce violent and bizarre behavior even in people not otherwise prone to such behavior. More people die from accidents caused by the erratic and unpredictable behavior produced by the drug than from the drug's direct effect on the body. PCP scrambles the brain's internal stimuli and alters how users see and deal with their environment.

Section VII: Effects of Alcohol and Drugs on the Body (Cont.)

Routine activities like driving and walking become very difficult.

Low doses produce a rush, sometimes associated with a feeling of numbness. Increased doses produce an excited, confused state including any of the following: muscle rigidity, loss of concentration and memory, visual disturbances, delirium, feelings of isolation, and convulsions.

Other Effects

- Extreme agitation;
- Drowsiness;
- Perspiration;
- Repetitive speech patterns;
- Incomplete verbal responses;
- Blank stare;

You may observe impaired driving ability, thick, slurred speech, poor coordination, violent, combative behavior, behavior recurring in cycles, involuntary eye movement, confusion, loss of memory and disorientated to time and environment.

Summary. The effects and symptoms of substance abuse provided in this material give you information that can help you determine when to require reasonable suspicion testing. It is not intended to be a complete course on alcohol or drug abuse.

As a supervisor, your role is to know when a driver appears or behaves as if alcohol or drugs were abused. You are not required to know when someone has been using cocaine or any other specific drug. As previously mentioned, when in doubt of the substance used, it is generally best to require both alcohol and drug testing. Most importantly, be thoroughly familiar with your company's alcohol and drug testing policy. Following the established rules offers you support and the knowledge that your actions are within the legal standards defined by the Department of Transportation and the Company. If a Team Member should approach the Company for assistance through rehabilitation for drug abuse or alcohol abuse prior to a testing request by the Company, all possible and positive consideration for a medical leave of absence for treatment and/or counseling will be pursued. If a Team Member is terminated, the Company will not be obligated to provide assistance beyond the last day of employment.

Section VIII: Contact Person

If a Team Member should approach the Company for assistance through rehabilitation for drug abuse or alcohol abuse prior to a testing request by the Company, all possible and positive consideration for a medical leave of absence for treatment and/or counseling will be pursued. If a Team Member is terminated, the Company will not be obligated to provide assistance beyond the last day of employment.

Any questions regarding this policy should be directed to: Human Resources or the President at the corporate office.

Non-DOT Drug Free Workplace

Statement of purpose. Leaders Holding Co™ 's policy is to maintain a work environment that is free from substance abuse. Leaders Holding Co™ has developed this policy out of concern for Team Members' physical and mental health, workplace safety and productivity, and the company's status and reputation.

The intent of this policy is to:



- provide clear guidelines and consistent procedures for handling incidents of Team Member use of alcohol, drugs, or other controlled substances;
- provide substance abuse prevention education to Team Members;
- establish a Team Member assistance program to help workers and their family members resolve problems that affect job performance; and
- ensure compliance with state and federal laws.

Substance abuse provisions. The following rules are effective immediately and will be enforced uniformly for all Team Members:

- Team Members are prohibited from arriving to work under the influence of alcohol, illegal drugs or the misuse of prescribed medication.
- Team Members are prohibited from using, possessing, distributing, or manufacturing illegal drugs on company property or while performing company business.
- Team Members are prohibited from use, possession, distributing, manufacturing or being under the influence of any physician recommended drug listed in Schedule I of the Controlled Substances Act, such as medical marijuana.
- Team Members cannot bring or consume alcoholic beverages on company property except in connection with company-authorized events. (if applicable)
- Team Members who are under the care of a physician and therefore are being treated with a drug or controlled substance that might adversely affect their ability to perform their work must provide a written statement from their doctor. Only the person for whom a prescription drug is issued can bring that medication on company property. The company reserves the right to obtain medical documentation concerning work-related duties while under the influence of prescribed medication.
- Team Members convicted of violating a criminal drug statute in the workplace must notify Leaders Holding Co™ within five days of the conviction.

Disciplinary action. Team Members who violate this policy are subject to the following:

- Team Members who use alcohol while on company property or on company business or who report to work under the influence of alcohol will be removed from the workplace, required to undergo testing, referred to the Team Member assistance program, and/or disciplined, up to and including termination.
- Team Members, who use, possess, purchase, or dispense any illegal drug while on company property or while on company business will be removed from the workplace, required to undergo testing, referred to the EAP, and/or disciplined, up to and including termination. Illegal activity will be reported to appropriate law enforcement officials and government agencies.
- Team Members who are arrested for or convicted of violating a criminal drug statute while at work must be removed from the work site, required to seek counseling from the EAP, and/or disciplined, up to and including termination. Leaders Holding Co™ will conduct a thorough investigation, which might include drug testing if cause is found.

Drug and alcohol testing. Leaders Holding Co™ uses drug testing to help administer this policy. All drug testing procedures conform to federal and state laws.

Drug testing is conducted under the following conditions:

- Pre-employment drug tests are performed on all applicants. Alcohol tests are performed on applicants who have received a conditional offer of employment.
- Reasonable suspicion tests are administered when a supervisor has reason to believe a Team Member might be under the influence of alcohol or drugs. Symptoms suggesting drug or alcohol use include visible needle marks, red eyes, liquor smell on breath or clothing, sudden changes in work performance, inappropriate behavior, and unexplained and/or frequent absenteeism.
- Random tests are performed on Team Members who occupy safety- or health-sensitive positions, including transportation positions.
- Post-accident testing is performed where required by law or under this policy.
- Return-to-work testing is performed on Team Members returning from a lengthy job absence.
- All test results are kept confidential. If an initial drug test is positive, a confirmation test is performed on the same specimen. Team Members who have a confirmed positive test result will be referred to assistance programs thought counseling. Cost of these visits will be the Team Member's responsibility.

Team Members who refuse to submit to drug testing are terminated and not eligible for reemployment for two years.

Searches. Leaders Holding Co™ can require Team Members to submit to a personal search and/or search of any personal article within the Team Member's work area based on suspicion or evidence of sale, possession, or use of controlled substances. Team Members also must submit to searches of their vehicles brought on company property.

Team Member assistance program. Leaders Holding Co™ will assist Team Members to enter an assistance program through counseling to help workers deal with substance abuse and other problems that they and their families might encounter.

Team Members who agree to take part in a drug treatment program will not have their employment affected unless they fail to complete the required course of treatment or continue to use drugs.

Drug-free awareness education. Leaders Holding Co™ presents a drug-free awareness education program to all supervisors and Team Members on a periodic basis. The program covers the dangers of drug abuse in the workplace, the availability of counseling and treatment and the penalties for violating the substance abuse policy.

Worker's Compensation Insurance

Leaders Holding Co™ provides a comprehensive workers' compensation insurance program at no cost to Team Members. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Team Members who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately.

COMMUNICATION SYSTEMS

Use of Phone and Mail Systems

Personal use of telephones for outgoing calls, including local calls, must be kept to a minimum. Team Members may be required to reimburse Leaders Holding Co™ for any charges resulting from their personal use of the telephone.

The mail system is reserved for business purposes only. Team Members should refrain from receiving personal mail at the workplace.

To ensure effective telephone communications, Team Members should always use the approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller and hang up only after the caller has done so.

Computer, Internet, and Email Usage

Computers, computer files, the Internet, the email system, and software furnished to Team Members are Leaders Holding Co™ property intended for business use. Team Members should not use a password, access a file, or retrieve any stored communication without authorization. To ensure compliance with this policy, computer and email usage may be monitored.

Leaders Holding Co™ strives to maintain a workplace free of harassment and sensitive to the diversity of its Team Members. Therefore, Leaders Holding Co™ prohibits the use of computers and the email system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

Internet access to global electronic information resources on the World Wide Web if provided by Leaders Holding Co™ is to assist Team Members in obtaining work-related data and technology. All Internet usage is limited to job-related activities. Personal use of the Internet is not permitted.

All Internet data that is composed, transmitted, or received via our computer communications systems is part of the official records of Leaders Holding Co™ and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, Team Members should always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet always remain the property of Leaders Holding Co™. As such, Leaders Holding Co™ reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Email may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

Team Members may only use software on local area networks or on multiple machines according to the software license agreement. Leaders Holding Co™ prohibits the illegal duplication of software and its related documentation.

Team Members should notify the President upon learning of violations of this policy.

Abuse of the Internet access or email systems provided by Leaders Holding Co™ in violation of law or Leaders Holding Co™ policies is strictly prohibited. Team Members may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited. This list is not exhaustive.

- Sending or posting discriminatory, harassing, or threatening messages or images
- Stealing, using, or disclosing someone else's code or password without authorization
- Copying, pirating, or downloading software and electronic files without permission
- Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- Sending or posting messages or material that could damage the organization's image or reputation
- Participating in the viewing or exchange of pornography or obscene materials
- Sending or posting messages that defame or slander other individuals
- Refusing to cooperate with a security investigation
- Jeopardizing the security of the organization's electronic communications systems
- Passing off personal views as representing those of the organization
- Engaging in any other illegal activities

Cell Phone Use

Unless used for a legitimate business need, cell phone use should be kept to a minimum. If you must carry a cell phone for emergency purposes, the ringer is to be to a low volume. Personal calls should be handled during approved break periods when possible.

Due to the nature of our business, some Team Members may be provided with cell phones as part of their daily responsibilities. Team Members who are provided with cell phones are to utilize company cell phones for business purposes only. Occasional personal use may be permitted however cell phone invoices will be monitored on a regular basis. Cell phone usage by drivers will be covered under the new DOT regulations that went into effect on January 1, 2012.

Public Statements and Conduct off the Job

Even when not on the job, Team Members have a duty to be loyal to the Company. This means, among other things, not doing things that are detrimental to the Company or contrary to the Company's interests. You should be careful about any statements that you make, in any form (i.e. written, over the internet, blogging, email, text, spoken, etc.), and any conduct that you engage in, and you should not make any statements or engage in other conduct that could reflect on the Company or your suitability to work for the Company, or that could harm the Company's interests, whether you are on or off the job. This includes, among other things:

- Saying negative things about the Company, our clients, your coworkers, or the people and companies that do business with us.
- Disclosing information about the Company, our clients, your coworkers, or the people and companies that do business with us that is not normally shared with the general public, whether or not you understand it to be technically confidential (you should generally assume any such information is confidential unless advised otherwise by a supervisor and authorized to make a specific disclosure).
- Making statements as if you were speaking on the Company's behalf (unless you have been specifically authorized to do so); if there is a possibility of confusion you should make clear that you are speaking on your own behalf, not the Company's.
- Speaking to the press about the Company or matters relating to the Company.
- Endorsing or promoting the Company's products and/or services without making proper disclosures (for instance, pretending to be a customer writing a positive review online); check with your supervisor for guidance on promotional activities before undertaking them.
- Engaging in harassing, insulting, criminal, or other harmful or offensive speech or conduct in a way that could be attributed to, reflect on, or negatively impact the Company.

Be aware that, once a statement is made, you may not be able to predict or control where it goes, nonetheless, you will be held responsible for it. For example, you may say something to a friend in an email and assume that it will go no further, but it could from there be spread through the internet without your knowledge and consent, and if the statement is found to have been a breach of your duty to the Company, you may be disciplined for it. As another example, you may make a statement in a blog that you believe is anonymous or not relatable to the Company, but your affiliation with the Company might be discovered through information about you readily available on the internet (such as profiles on social networking sites) and your connection with the Company will be known, even though you had not intended it to be in connection with your statement. Your statement remains your responsibility even though you may have intended to make it anonymously.

Nothing in the Company's policies is intended to prevent you from exercising your legal rights. For example, if you wish to contact a government agency with a concern about matters such as (but not limited) discrimination, harassment, safety, or wages, or if you are asked to participate in a government investigation, our policies do not prohibit you from doing so. You are also encouraged to raise any such concerns through appropriate channels within the Company as provided in our policies.

Workplace Monitoring

Workplace monitoring may be conducted by Leaders Holding Co™ to ensure quality control, Team Member safety, security, and customer satisfaction.

Team Members who regularly communicate with customers may have their telephone conversations monitored or recorded. Telephone monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our customers' image of the company as well as their satisfaction with our service.

Computers furnished to Team Members are the property of Leaders Holding Co™. As such, computer usage and files may be monitored or accessed.

OPERATIONAL CONSIDERATIONS

Customer Relations

Customers are among Leaders Holding Co™ most valuable assets. Every Team Member represents Leaders Holding Co™ to our customers and the public. Customers judge all of us by how they are treated with each Team Member contact. Therefore, one of our first business priorities is to assist any customer or potential customer. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give to customers.

Leaders Holding Co™ will provide customer relations and services training to all Team Members with extensive customer contact. Customers who wish to lodge specific comments or complaints should be directed to Customer Service for appropriate action. Our personal contact with the public, our manners on the telephone, and the communications we send to customers are a reflection not only of ourselves, but also of the professionalism of Leaders Holding Co™. Positive customer relations not only enhance the public's perception or image of Leaders Holding Co™, but also pay off in greater customer loyalty and increased sales and profit.

Emergency Closings

At times, emergencies such as severe weather can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility. In the event that such an emergency occurs during nonworking hours, Team Members will be notified of such a closing via telephone or email.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be unpaid. However, with supervisory approval, Team Members may use available paid leave time, such as unused PTO benefits.

In cases where an emergency does not require the office or store to be closed, Team Members who fail to report for work will not be paid for the time off.

Team Members in essential operations may be asked to work on a day when operations are officially closed. In these circumstances, Team Members who work will receive regular pay.

Team Member Parking

The company provides Team Members with parking; however, some parking areas may be reserved for disabled drivers, vendors, clients, vehicles belonging to the company, and others. The parking lot for all Team Members is in the parking lot adjacent to the building. Leaders Holding Co™ will not be responsible for any damage to your vehicle or the contents of your vehicle while parked on company property.

Business Travel and Expenses

Leaders Holding Co™ will reimburse Team Members for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the President at Leaders Holding Co™.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be paid by Leaders Holding Co™.

Team Members who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. Vehicles owned, leased, or rented by Leaders Holding Co™ may not be used for personal use without prior approval.

Non-Exempt Team Members who travel as part of their normal workday will be compensated for time spent traveling. Non-Exempt Team Members who travel away from home overnight will be compensated for time spent engaged in company business even if such time occurs outside normal working hours. Time spent driving a vehicle due to travel requirements for company business during normal work hours will count as work time.

Team Members should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Company Property and Vehicles

All items produced by Leaders Holding Co™ are the sole property of the company and its customers. There is no condition or situation that will allow a Team Member to take company property for personal use. The repercussions of such actions can ruin the company's reputation and cause irrefutable damage.

It is the company's policy that company owned vehicles are to be used by Team Members only, including drivers and passengers, unless otherwise advised by the President.

Please be advised that all Team Members who are provided with or use a Company vehicle are covered under the Company's automobile insurance program while operating that vehicle. However, this coverage does not apply whenever you are operating any other vehicle or are a passenger in another vehicle. Allowing unauthorized passengers in company owned vehicles is a direct violation of the company's insurance policy as well as Company policy.

Detailed mileage and receipt logs must be kept for all vehicles. Should a Team Member lose his/her license because of traffic violations, or should our insurance carrier specifically exclude coverage for a particular driver due to his specific traffic violations, that Team Member is in direct violation of the company policy. It is the Team Member's responsibility to notify his/her supervisor or Human Resources immediately if his/her driver's license is revoked or suspended. Additionally, anyone observing violation of this policy is required to report this infraction to their supervisor or Human Resources immediately.

Personal Vehicles

Team Members who will be required to use personal vehicles to travel between assignments must provide up to date insurance and driver's license information. As specified by the company's insurance carrier, Team Members who use their personal vehicle for official company business must have proof of insurance and be able to meet the minimum requirements as set forth by the insurance carrier.

STANDARDS OF CONDUCT

Business Ethics and Conduct

The successful business operation and reputation of Leaders Holding Co™ is built upon the principles of fair dealing and ethical conduct of our Team Members. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of Leaders Holding Co™ is dependent upon our customers' trust and we are dedicated to preserving that trust. Team Members owe a duty to Leaders Holding Co™, and its customers, to act in a way that will merit the continued trust and confidence of the public.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action the matter should be discussed openly with your immediate supervisor and, if necessary, with the President for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every Leaders Holding Co™ Team Member.

Team Member Conduct and Work Rules

To ensure orderly operations and provide the best possible work environment, Leaders Holding Co™ expects Team Members to follow rules of conduct that will protect the interests and safety of all Team Members and Leaders Holding Co™.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that are strictly prohibited:

- While you are a Team Member with Leader's, we gain knowledge that you have been convicted of a felony, drug charges or theft; and you have not notified your direct supervisor or the Human Resources Department, you are subject to disciplinary action up to and including termination. Any information you provide to your supervisor or Human Resources will be kept in confidence.
- Theft or inappropriate removal or possession of property
- Falsification of timekeeping records
- Working under the influence of alcohol or illegal drugs
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- Fighting or threatening violence in the workplace
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Sexual or other unlawful or unwelcome harassment

- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Excessive absenteeism or any absence without notice
- Unauthorized absence from work area during the workday
- Unauthorized use of telephones or other employer-owned equipment
- Unauthorized disclosure of business "secrets" or confidential information
- Violation of personnel policies
- Unsatisfactory performance or conduct.

Nepotism, Fraternization and Consensual Relationship Policy

An inclusive, customer focused, fair and friendly culture is critical to Leader's mission of having a great place to work. To help maintain this environment this policy clearly defines and outlines Leader's view on nepotism, fraternization, and consensual relationships.

Definitions

Fraternization/Consensual Relationship: Developing a social, personal, or intimate relationship with another Team Member.

Nepotism: The showing of favoritism toward relatives, based upon that relationship, rather than an objective evaluation of ability or suitability.

Family Members: Relationships by blood and affinity including:

1. parent and stepparent;
2. spouse, spouse's parents, spouse's grandparent, and spouse's siblings;
3. child, adopted child, stepchild, foster child and his/her spouse;
4. sibling, step sibling, half sibling, foster sibling and his/her spouse;
5. grandparent and grandparent's spouse, great-grandparent and great-grandparent's spouse;
6. grandchild and grandchild's spouse and great-grandchild and great-grandchild's spouse;
7. aunt and uncle and his/her spouse;
8. niece and nephew;
9. first cousin;
10. any person with whom there is a legal custodial relationship or member of the same household.

Related Party: Any adult in a committed relationship with another adult, including both same sex and opposite-sex relationships.

Leaders Holding Co™ has a strict policy of anti-nepotism. This policy protects against potential conflicts of interest arising from the employment of relatives within a manager or supervisor's own department and its purpose is to avoid an actual, perceived, or apparent conflict of interest.

Leader Holding Co™ team members may date and develop friendships and relationships with other team members both inside and outside of the workplace provided that the relationships do not have a negative impact on the company culture, team members work performance or the work performance of others.

The company is committed to providing a workplace free of harassment, discrimination, conflicts of interest, and favoritism and will not tolerate unwelcome or offensive conduct, conduct that creates a hostile work environment, or sexual harassment.

Adverse workplace behavior or behavior that adversely affects other team members arising because of personal or family relationships will not be tolerated.

No team member may, without the participation of a staff member or the Director of Human Resources initiate or participate in, directly or indirectly, decisions involving hire, rehire, promotion, pay raises, performance appraisals, work assignments or other working conditions of family members, related parties, those they are engaged in a social relationship with or those they are engaged in a personal relationship with.

Fraternization, developing a social relationship with another Team Member that could create the potential for operational, morale or efficiency problems and or conflict of interest will not be permitted.

Any relationship that interferes with the company culture of teamwork, the harmonious work environment, or the productivity of team members will be addressed by applying the corrective action policy up to and including termination.

Disciplinary Action

From time to time, it is necessary to take disciplinary action, which may include written or verbal counseling, suspension, or other discipline up to and including discharge. Employment with Leaders Holding Co™ is at-will, therefore Team Members are not guaranteed that they will receive advance warning prior to any disciplinary action, or that discipline will be applied progressively (i.e., Team Members are not guaranteed verbal or written warnings prior to more severe discipline including discharge being applied).

Non-Disclosure

The protection of confidential business information and trade secrets is vital to the interests and the success of Leaders Holding Co™. Such confidential information includes, but is not limited to, the following examples:

- Trade secrets or technical information
- Computer processes
- Customer lists
- Customer preferences
- Marketing strategies
- Financial records

Team Members who improperly use or disclose trade secrets or confidential business information will be in violation of company policy and may be subject to legal action, even if they do not actually benefit from the disclosed information.

Outside Employment

Team Members may hold outside jobs as long as they meet the performance standards of their job with the company. All Team Members will be judged by the same performance standards and will be subject to company scheduling demands, regardless of any outside work requirements. Team Members should request approval from their supervisor before accepting outside employment.

If Leaders Holding Co™ determines that a Team Member's outside work interferes with performance or the ability to meet the requirements of Leaders Holding Co™ as they are modified from time to time, the Team Member may be asked to terminate the outside employment if he or she wishes to remain with the company.

If you become injured through the course of outside employment and do not disclose the injury immediately to your supervisor; this may lead to dismissal from your job at Leaders Holding Co™.

Outside employment that constitutes a conflict of interest is prohibited. Team Members may not receive any income or material gain from individuals outside Leaders Holding Co™ for materials produced or services rendered while performing their jobs.

Personal Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all Team Members and affect the business image Leaders Holding Co™ presents to customer and visitors. During business hours or when representing Leaders Holding Co™, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards.

Support personnel are expected to maintain a well-groomed and professional appearance.

Drivers are expected to wear a Leaders Shirt at all times, which will be provided to them, and dark trousers or walking-shorts. Drivers must always wear closed-toed shoes.

Store Personnel are expected to maintain a well-groomed and professional appearance. Store personnel may not wear jeans, shorts, sneakers, flip flops, or shirts with no collar. No excessive jewelry or facial piercings. Please make a reasonable effort to cover tattoos. Store Team Members are permitted to wear Leaders shirts, should they choose to purchase them. All store personnel are required to wear name tags. This is particularly true if your job involves dealing with Clients or visitors in person.

Gifts and Favors

Showroom staff are not permitted to personally solicit services not provided by Leaders Holding Co™ in exchange for money.

Personal Business and Solicitation

Soliciting during working hours and/or in working areas (including email); selling merchandise, tickets, or services, collecting funds, obtaining signatures, or any other private solicitation of any kind for personal business, or charities is not allowed.

TRANSITION FROM LEADERSHOLDING COMPANY**Return of Property**

Team Members are responsible for all Leaders Holding Co™ property, materials, or written information issued to them or in their possession or control.

Team Members, on or before their last day of work must return all Leaders Holding Co™ property.

The company reserves the right to seek legal remedies if such property is not returned or is not in working order.

Resignation

Resignation is a voluntary act initiated by the Team Member to terminate employment with Leaders Holding Co™. Although advance notice is not required, Leaders Holding Co™ requests at least 2 weeks' written resignation notice from all Team Members.

Final Pay

Final paychecks will be processed as direct deposit on the next regular payday following termination. Please make sure we have a current address so you can receive your year- end tax form.

PLEASE SIGN AND RETURN TO HUMAN RESOURCES

TEAM MEMBER ACKNOWLEDGMENT FORM

Team Member Handbook

The Team Member Handbook describes important information about Leaders Holding Co™ (the Company). I understand that I should consult Human Resources regarding any questions not answered in this handbook.

I hereby acknowledge that I have been made aware that the Company has a Team Member Handbook and that a copy of the Handbook, in electronic and/or paper form, has been made available to me for review. I hereby acknowledge that I understand it is my responsibility to read the Handbook and familiarize myself with the policies contained therein. I agree to comply with all of the policies and procedures applicable to my position. I further acknowledge that copies of the notices listed above have been made available to me in electronic form and I have received instructions for accessing them.

I have entered my employment relationship with the Company voluntarily and acknowledge that there is no specified length of employment. Accordingly, the Company or I can terminate the relationship at will, with or without cause, at any time.

Since the information, policies and benefits described here are subject to change, I acknowledge that revisions to the handbook may occur, except to the Company policy of employment-at-will. I understand that revised information may supersede, modify, or eliminate existing policies. Only the President has the ability to adopt any revisions to the policies in this handbook.

I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received instructions for accessing the electronic version of the handbook, and related compliance notices. I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.