

Ace Hardware & Paint DENWIN, Inc.

I. Preface

This manual is intended to be used as a guide in the handling of routine situations. Matters should always be handled in accordance with the stores philosophy and good business judgment. This manual is the property of DENWIN Incorporated.

Mission Statement

DENWIN Inc is a family owned business engaged in retail hardware. Our goal is to empower our employees to make decisions to help the customer to the best of their ability. Customers come first; this is the hallmark of our business.

I. DISCLAIMER

Employment at the Company is at-will. This policy is not a unilateral employment contract and should not be interpreted as creating a unilateral employment contract.

II. Customers come first

The Customer

The definition of a customer is anyone who enters the store.

- Greet the customer in a warm, friendly manner
- Remember they came to us we did not go to them.
- Do not treat them as an interruption from your work
- Understand and solve complaints without hassle.
- Give your customer honest and informative answers.
- Practice the Golden Rule. You should have dear friend that keeps coming back time and time again.

Rules of Customer Relations

- Customers are the key to your company's success
- The customer is who pays you.
- Each person is unique and should be treated according to his or her needs.
- You cannot respond until you know the message.....LISTEN.
- Your phone relations project your company's image.
- Call back no matter what; even if you do not know the answer.
- Patience
- Go the extra mile: DO the unexpected. You and your customer are a team.
- Do it right the first time because you may not get another chance.
- Always acknowledge the customers by name whenever possible.

Your attitude towards the customer is very important.

Courtesy and Service

We take great pride and consider it our duty to provide the highest degree of service quality in serving people. In all cases, use your very best judgment when serving and working with people. Working with people includes all customers, team members, business associates/suppliers, and anyone within the communities we serve. You are required to provide "exceptional customer service" to every customer. This includes, but is not limited to, service with a smile and eye contact, showing urgency towards and acknowledgment of customer presence, being attentive and knowledgeable of our products, communicating effectively, and possessing an upbeat attitude at all times. Providing everyone with exceptional service, high quality products and excellence in facility cleanliness and image will earn you, and the company, respect from all people within the communities we serve. Failing to provide the highest degree of service quality to all people will jeopardize your opportunities and continued employment with us.

ANSWERING QUESTIONS

Be helpful and friendly. Answer all customer questions as briefly as possible but give

enough details for the customer to have a clear understanding of the solution to his or her problem. If you are unable to answer a question, say so, and refer the customer to someone who can. Do not give “unsure” answers. If your information proves false, the customer may understandably become upset. Ask the magic question: “What can I help you find today?”

Defective Merchandise

When merchandise is purchased and brought back because it did not work or was broken, it is referred to as defective. When defective merchandise is being returned, ask the customer for their register receipt. If they have their receipt, ask if they want another in exchange or if they want their money back. Check with manager to see how we handle our defective merchandise. If you have any questions, call for a manager.

Refunds

“We will fix it, replace it, or refund a purchase your receipt is all you need.” All returns must be done with 60 days of purchase. This is printed on each and every receipt.

Any returns without a receipt must have a manager approval. In most cases no cash back will be given without a receipt. A merchandise Voucher will be given.

Any return over \$30 with or without a receipt needs a manager approval. The system will prompt you to key in customer information. You need to get customers name, phone number.

A refund form must be filled out on all returns. Please ensure that you are keying in Customers name and phone number. In cases of in-house charges or rewards customers that information will automatically filled in.

System for Checkout Assistance

Calling for assistance at the checkout area is not just the right thing to do to save our customers time. It is also a great opportunity to clearly demonstrate the high value we place on our customers. As a rule of thumb, if there are 2+ more people in line, call for Assistance.

System for Ensuring Accuracy at the Checkout

Accuracy is a very important trait for any person working with money. Our customers expect and deserve our undivided attention whenever we handle their funds.

Under no circumstances should a conversation be conducted with anyone other than the customer whose money we are handling, while at the checkout counter. The only

exception would be to answer a very brief question whose response would have a positive affect on another waiting customer. In this case, a sincere “excuse me one moment” should be shared with the primary customer before diverting your attention.

Customers perceive accuracy in many unspoken ways. Ensuring that ALL currency and checks face the same direction says a lot about the cashier. Properly counting change back to a customer is an almost lost art that truly sets the best cashiers apart from the rest. Being perceptive to all things around you, and acknowledging an approaching customer prior to them reaching the counter is yet another skill valued by truly professional cashiers.

Cashiers that achieve accuracy in their work while still offering friendly knowledgeable service to our customers are one of our most valuable assets!

Price Checks

In order to be recognized as the “Premier Retailer of Quality Hardware Products and Services in the Area”, our customers must have confidence in our ability to quickly and efficiently get them through the checkout line. In the event that an item either will not scan or potentially scans incorrectly, a “price check” occurs. Unless our system operates perfectly, every customer in line will be inconvenienced by this event. This situation, more than any other, requires the coordinated teamwork of many and possibly all our staff members.

When it is discovered that an item does not scan, the cashier must immediately check to see if any other customers are waiting in their line. If there are and additional checkouts and staff trained in checking are available, a call must **first** be made to open an additional checkout lane. In the event that all other trained cashiers are assisting customers on the floor, any other staff member should volunteer to complete assisting their customer, “freeing up” that cashier to assist at the checkout.

Rental Policies

Offering well-maintained rental equipment to our customers is an important part of our business model. In the interest of customer service, all employees must be familiar with the following procedures.

1. Customer telephone inquires regarding specific equipment availability, should be followed up with an offer to take a reservation. A customer asking “if a piece is in?” is most likely asking if it will be available when he arrives at our store. If it has not been properly reserved, it may not be available when the customer arrives.
2. Reservation tags must include the customer’s name, phone number (in case a problem should arise); Use the reservation book for weekends. Customer rental forms must be filled out completely. This information is critical to avoid having dishonest customers fail to return our equipment.

3. Never hesitate to share pertinent safety information at the time of rental.
4. Never allow any gas-powered equipment to leave the premises without first demonstrating the proper operation and actually starting the motor. This is not only a service to the customer but also ensures that there are no mechanical problems present before the unit leaves our store. Make a visual inspection to ensure all components (belts, blades, etc.) are in good repair
5. Make sure all gas-powered engines are fully fueled and explain fuel requirements to the customer.
6. Assist customers with proper loading into their vehicle
7. Clean all machinery or inspect that it is clean before going out.
8. A cleaning deposit is to be taken for all rental equipment. This is only to be returned to the customer if the machine is brought back clean and on time.

Our rental customers expect any motorized items to be trouble free. They want it to start easily and run properly. In order to ensure their satisfaction, it is imperative that ANY and ALL motorized items be started in the customer's presence BEFORE they leave the store. This will provide instruction and confirm to the customer the machine is operational. This also offers us the opportunity to resolve any problems BEFORE the customer gets to the job site.

System for Ensuring Special Order Satisfaction

The ability to quickly obtain non-stock items for our customers through special orders is a distinct competitive advantage. When we offer to have unique merchandise rapidly sent to our store, we retain the sale and keep our customers from having to visit the competition.

If at all possible, Acenet should be used to confirm inventory levels while our customer is present. Rain checks and special orders can be processed at the register. Please make sure we get name, number and quantity and price. (If item is on sale, ensure that sale price is written down).

All special orders should be paid in full or be held with a credit card. There is a 20% restocking fee for all returned special orders.

By keeping our customers abreast of their orders, we indicate a true commitment to be the "helpful place". Anything less is simply not good enough.

Pricing Conflicts

Occasionally, a price displayed on a bin tag or on an item may not agree with the price indicated by our computer at the point of sale. This situation can be caused by delays in affixing bin tag updates or simple carelessness. Whatever the cause, it should be of no concern to our customers. As long as the bin tag or price is for the correct item, the

LOWEST price, regardless of how “out of date”, is the price that will be charged. After the customer leaves, we need to make a new bin tag to the correct price.

Sometimes, an item may get placed in the wrong location or on the wrong peg hook. This may also lead to confusion. If by looking at the description, Ace number and/or part number it is discovered that the bin tag is not for the item, we will not honor the lowest price. Simply discovering an item incorrectly placed in the vicinity of another item’s bin tag does not obligate us to sell the item at a discount. An example would be a \$50 router bit mistakenly hung on a hook with a \$10 router bit’s bin tag. Obviously the description, Ace number and/or part number would not be correct.

This policy clearly demonstrates a fair way of doing business to our customers.

III. Store Procedures/Guidelines

Equal Employment Opportunity

Ace Hardware & Paint is an Equal Opportunity Employer. It is our policy to administer all of our employment practices, including those pertaining to recruitment, hiring, placement, transfer, promotion or demotion, rates of pay or other forms of compensation, layoff or termination, and selection for training, in a nondiscriminatory manner without regard to race, color, religion, sex, age, national origin or any other basis prohibited by applicable federal, state or local fair employment laws or regulations.

Sexual Harassment

It is DENWIN, Inc’s policy to maintain a work environment free to unlawful discrimination for all employees. Sexual harassment is unacceptable conduct, which violates this policy. Sexual harassment encompasses a wide range of unwanted, sexually directed behavior and has been defined in the following manner:

“Unwelcome sexual advances, request for sexual favors and other verbal and physical conduct of a sexual nature constitute sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment. (2) Submission to or rejection of such conduct by an individual is used as the basis for employee decision affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individuals work performance or creating an intimidating hostile, or offensive working environment.”

Sexual harassment applies to the conduct of a supervisor toward a subordinate, and employee toward another employee, a non-employee to an employee, or an employee toward an applicant for employment. Sexual harassment can apply to conduct outside the work place as well as on the work site.

Employees who wish to register a complaint may do so by contacting any manager.

Allegations of Sexual harassment will be investigated thoroughly. The facts will determine the response to each allegation. Substantiated disciplinary action up to and including termination. All information regarding any specific incident will be kept confidential within necessary boundaries of the fact-finding process.

Training Requirements/New Hires

Each new hire is expected to complete the training requirements within 90 days of hire. A list of training requirements will be given to you at the time of hire, and will need to be signed off by you and a supervisor. This will be kept in your employee file. After 90-days, employee will be reviewed and will then qualify for our benefits and incentive pay.

Credit Cards/Check Cashing Policy

We accept the following credit cards: Visa, Master Card, American Express and Discover.

- A signature should be verified on all credit cards. If customer has "See ID" or the signature line is blank, you need to ask for an I.D.

When a customer is using a check in the form of payment, the following requirements must be met:

- Check Number greater than 1500
- Local checks only
- Checks must be made for the amount of purchase only
- A driver's license and phone number must appear on the check. Ask for a picture I. D. to verify.

Employees who write "bad" (insufficient) checks will be charged any and all bank fees associated applicable fees.

Two Way Radio Policy

Professional quality two way radios are provided for use by all employees. In the interest of customer service, all employees must be familiar with their proper operation and care.

1. Do not begin speaking until **AFTER** the transmit button has been depressed for at least one second. Speaking prior to that will result in the first part of your transmission being lost and people ignoring you.
2. If you are busy assisting a customer when a call for you is received, do not interrupt your customer **OR** ignore the request. Do not press the transmit button until after you have determined what you want to say.
3. If there is a page for a co-worker and you see that he/she is busy, please respond for them to let everyone know.

4. Take care, to avoid accidentally depressing the transmit button. Do not lean or sit on your radio.
5. Treat the radios with care. Avoid dropping or exposing them to water.
6. Always turn power off and place radios in charger units at the end of each day.
7. Remember; whatever you say on the radio will potentially be heard by customers in the vicinity of any other employee. Think before you speak!

Shoplifting

Shoplifting is stealing and against the law. Be alert to shoplifting at all times. We prefer to prevent shoplifting rather than create ill will as a result of arrests and prosecutions. The best deterrent to shoplifting is to make your presence felt in your department. Walk through your department often, show customers you are willing to help, and be alert. If you observe a shoplifting crime, call the manager or a designated security manager immediately. Do not approach the customer. Let the manager handle it. He/She has been trained to handle such instances. If a customer is wrongfully accused or detained, both you and the store could suffer serious consequences.

- Once a shoplifter has concealed the item, watch the person closely so they would not happen to discard the item while you went to get a manager.
- Notify manager of situation without losing sight of subject shoplifter.
- Once shoplifter leaves the store, follow person outside, ask them to step to the side, and inform person they were observed putting the item in their (pocket, purse, coat, etc.) and would they please give it to you.
- If shoplifter gives it back to you ask them to come back into the store.
- Call Police!!
- Take license number of vehicle
- Record all information from the event

Hold-ups

When confronted with a hold-up, do everything the person says, however, during his/her presence, be sure to concentrate on his/her features: dress, voice, scars, automobile, etc. for identification later.

Theft

If a theft does occur it is important that the supervisor calls the police. All employees are subject to be interviewed by the police if management deems necessary.

Any employee theft will be grounds for dismissal!!

Store Hours

	Apple Valley	New Prague	Downtown Lakeville	Uptown Lakeville	Inver Grove Heights
Monday - Friday	7:30am - 9:00pm	7:30am - 8:00pm	7:30am - 9:00pm	7:30am - 9:00pm	8:00am - 9:00pm
Saturday	7:30am - 6:00pm	7:30am - 6:00pm	7:30am - 6:00pm	7:30am - 6:00pm	8:00am - 6:00pm
Sunday	9:00am - 5:00pm	9:00am - 5:00pm	9:00am - 5:00pm	9:00am - 5:00pm	9:00am - 5:00pm

Even though our stores have very regular, posted closing hours, occasionally a customer will become confused.

At one minute **after** the designated closing time (never before) unplug the “open” sign, turn off the radio. Turn off about half the interior lights, making sure to avoid areas where customers may still be shopping. Confirm that no customers have entered the lot with the intention of shopping. Lock the “In” doors until all existing customers have checked out then lock the exit doors.

If however, while other customers are still in the store, another customer attempts to enter, poke your head through the exit door and advise the new customer that “if he needs something quick, he can come in”. Walk the customer to the product and walk him back to the checkout. This will not happen frequently but when it does, you can be sure the customer will be very appreciative. This sort of thing NEVER happens in other stores. Remember that a customer who you let in last minute will be a customer for life.

Lock the exit doors and turn off all but the front row of lights. After the checkout closing procedures have been completed, the final light may then be turned off.

System to Ensure Quality Inventory

Our customers expect us to have good looking, up to date stock on our shelves. Ensuring we do requires us all to pay attention when restocking our inventory.

Frequently, manufacturers or our suppliers will change the packaging of a product. Occasionally they will even change the product itself. Sometimes the change may be very minor, but in the interest of our customers and our store, we must ROTATE THE STOCK!

Under no circumstances should a newer looking package be placed in front of an older looking package. If an item has a shelf life (something that will eventually degrade, like paint, caulk, candy, etc) the newer stock must be placed behind the older stock even if

the packaging appears the same. Always be aware of products with expiration dates (batteries, film, shellac, etc).

Pay special attention also to inventory beginning to show age. This would include items with clear packaging beginning to yellow, or packages with a bit of dust. Newer inventory must be placed behind the old.

Store Use

All items used for store use must be identified with stock number and quantity to the cashier desk. This includes paper towels, tape, markers, paint colorants, etc.

Carry-Out Service

We will provide carryout service to all customers. Use the loading tickets to ensure proper merchandise is given to the customer. If it is in a bag, we should be carrying it out.

Special Services

These are some of the services that we have to offer:

- Glass and plexi-glass cutting
- Cut and thread pipe
- Small engine shop
- Sharpen chain saw, hand saw, and circular saw blades
- Repair screens and windows
- Custom computer paint color matching
- Cut keys

Plus more...

Point of Sale and Computer Repair Policy

The computer system including our point of sale registers is critical to the success of the store. We have invested tens of thousands of dollars for their purchase. We also spend over ten thousand dollars a year for service contracts to insure proper operation. If there is any issue regarding breakage or faulty operation of any component of the systems, it is imperative that the store manger or person in charge be notified immediately. If unable to promptly resolve the problem, the computer service hotline must be consulted. If an acceptable resolution has not been achieved within one business day, please notify Nickey. There is no reason that we (or our customers) should be forced to tolerate faulty equipment.

Store Computer Policy

Ace Hardware provides its employees with appropriate computer equipment, internet access and e-mail capability. Due to potential virus contamination and copyright infringement, installing unauthorized software of any kind on company owned computers is strictly prohibited. Any employee installing unauthorized software, playing video games or engaging in any illegal or immoral activities will be subject to disciplinary action up to and including discharge.

Incidental use of computers, the internet and e-mail accounts for personal use are not allowed. Abuse will be determined solely by DENWIN INC. management and may result in disciplinary action or termination. DENWIN reserves the right to access, review, copy or delete any and all content for any purpose and to disclose them to any party (inside or outside the company) it deems appropriate. Company owned computers are for the exclusive use of Ace staff.

Employees Congregating Policy

In order to provide the best possible customer service, we must make ourselves available to the greatest number of customers at all times. This can best be accomplished by having our entire floor staff working in different areas as much as is feasible. If a job requires only one person, there is no reason to have 2 or more employees in the same area working together.

Jobs that require lifting items not easily handled by one person should not, however, be attempted without assistance. Tasks that can be completed in plain view of our customers are always preferable to working in an area not accessible to the public (back rooms, offices, etc.).

Conversations, unless of a sensitive nature, should be conducted near the power aisle or in areas clearly visible to our customers, not in stock rooms, offices, break rooms or other out of the way places. Our foremost goal is always to offer the best, fastest and most convenient service possible

Personal Phone Calls/ Cell Phone Use

Personal phone calls will be kept to a minimum and should not interfere with assisting customers. This is a business phone. Personal long distance phone calls on company hours are prohibited. Cell phones are to remain in the break room and turned off. Internet surfing, text messaging, and instant messaging is not allowed on or during store time. We do have Internet access available to aid in customer service and to look up parts etc.

Personal Conduct

As you are aware, Ace Hardware & Paint is open to the public daily and many visitors walk through our facility on a regular basis. It is for that reason we must strive to

constantly promote a non-offensive environment. Profanity is prohibited as well as inappropriate jokes, or comments regarding race, sexuality, gender, ethnic group, age, religion or sexual orientation.

As co-workers we must not only show respect toward one another, but also toward the public from which our business is established. A visitor should be able to come into any area of our operations at any time without hearing offensive language.

We trust that all staff understands the importance of an appropriate environment and will work to maintain that as part of our company image.

Drug-Free Workplace

Tobacco:

There will be absolutely no use of tobacco on the sales floor. It will be confined to outside in the designated area. This includes chewing tobacco, cigarettes, cigars, and pipes. You are to smoke only on your scheduled breaks. Please keep these areas clean of cigarette butts and garbage.

A. No employee shall report to work under the influence of alcohol, marijuana, controlled substances or other drugs which affect his/her alertness, coordination, reaction, response, judgment, decision-making, or safety.

B. No employee shall operate, use, or drive any equipment, machinery, or vehicle of the Company while under the influence of alcohol, marijuana, controlled substances or other mood-altering drugs. Such employee is under an affirmative duty to immediately notify his/her supervisor that he/she is not in an appropriate mental or physical condition to operate, use, or drive the Company's equipment.

C. No employee shall unlawfully manufacture, distribute, dispense, possess, transfer, or use a controlled substance in the workplace or wherever the Company's work is being performed.

D. Engaging in off-duty sale, purchase, transfer, use or possession of illegal drugs or controlled substances may have a negative effect on an employee's ability to perform his/her work for the Company. In such circumstances, the employee is subject to discipline.

E. When an employee is taking medically authorized drugs or other substances which may alter job performance, the employee is under an affirmative duty to notify the appropriate supervisor of his/her temporary inability to perform the job duties of his/her position.

F. The Company shall notify the appropriate law enforcement agency when it has reasonable suspicion to believe that an employee may have illegal drugs in his/her possession at work or on company premises. When appropriate, the Company shall also notify licensing boards.

Social Functions

Alcoholic beverages may not be consumed during normal working hours. However, there may be some company-sponsored or approved social functions (picnics, tailgates, parties, retreats, conventions, after-hour get-togethers, etc.) or meetings where alcohol will be served.

Employees are reminded to exercise moderation and good judgment when consuming alcohol at company-sponsored events. No one will become inebriated. No one will drive a vehicle, company or personal, after consuming enough alcohol to be legally under the influence. You have a special duty to be an example of the company's promotion of drinking responsibly. Therefore, alcohol-related unprofessional or improper behavior at a company-related function can violate this policy.

Travel

Employees engaging in work-related social interaction or traveling for the company are expected to abide by the company's "appropriate behavior" policies at all times, including "after hours." The company's anti-harassment policy, alcohol moderation policy, and other rules of appropriate behavior are to be observed at all times in all interactions with all people while you are in travel status.

Company Vehicle Policy

Company vehicles are to be used for company business only. Each driver is expected to comply with all traffic laws and drive defensively and in a courteous manner at all times. Proper allowance should be made for adverse weather and traffic conditions.

Seatbelts should be worn by all persons riding in vehicles at all times. No smoking is allowed in company vehicles.

The driver is responsible for payment of any tickets or other citations due to improper use of a vehicle, and may be responsible for payment of repair to the company vehicle or liability to other parties due to improper or negligent use of the company

Customer Complaints

Even the best companies have customer complaints. It is important to handle customer complaints properly to avoid damaging our store image and to help correct the situation in order to retain the customers business. All customer complaints should be handled tactfully. Customers should never leave the store feeling they have not been treated properly. In majority of cases, it is even better to bend over backwards to please the customer than to save the company a dollar on the complaint. Treat all customers the way that you would want to be treated, if the roles were reversed. Also remember it may not be our fault but it is our problem.

Time Clocks

All employees will be assigned a time code. You are responsible for punching in and out at the start of each work period as well as for lunch hours. If you forget to punch in, or if you make an error, report this to the manager. You must punch out for lunch breaks or anytime you leave the building.

Punching in and out must be done when you are ready to work. Not when you walk in the door. Go to break room, put your things away, get your vest/apron, walkie etc. Then punch in "ready to work"

OVERTIME

Any overtime must be at the request of your supervisor and approved in advance.

Overtime is paid for all hours worked exceeding 40 hours per week at a rate of one-and-a-half times your regular salary rate. Only those days that you actually worked will be included in the calculation. This means that holidays, vacation or sick days are not counted as hours worked for this purpose.

Breaks/Eating & Drinking while working

Break Periods

Two scheduled breaks are provided for each employee during an 8 hour the shift. One 10 minute break is scheduled during the first half of the shift, and one 10 minute break is scheduled during the second half of the shift. Any and all breaks are subject to manager approval. Lunch Breaks are 30-min unpaid.

Presenting a helpful and professional image to our customers is very important to our success. Eating or drinking in front of our customers presents neither. There will be NO eating or drinking on the sales floor. These things are allowed only during your break time. There is no food or Drinks at the register. Keep these items in the break room.

Termination

All employees are at will employees. DENWIN INC requires that employees provide a two week notice.

Dress Code

Our appearance and dress policy applies to both male and female employees. All employees shall have a ready and personable smile at all times. They must maintain combed and neatly trimmed hair. All employees are to be neat and clean at all times. You are representing this store in the eyes of the customer. This means no derogatory T-shirts with sayings on them. Nametags, ACE Vest or apron will be required, but will remain the property of the company. When they need to be replaced, return them to the store manager. It is a personal responsibility to see that clothing is kept clean and pressed at all times. Jeans with holes should not be worn. We want you to be comfortable and safe. You should only wear closed toed shoes. If we there is something

worn that is not appropriate, we will ask you to go home and change. Hats can be worn, but they need to be an Ace hat or visor or a brand that we sell. We do provide these to you at no charge.

Attendance and Tardiness

Attendance

It is very important that you have regular attendance and begin work and remain during your assigned normal work time. Unexpected absence and tardiness place an unfair burden on fellow staff and hampers our ability to serve our members. There may occasionally be an unavoidable circumstance which would cause you to be late or unable to come to work. In these instances, it is important to personally notify your supervisor by phone prior to your normal starting time.

You are responsible for the hours schedule once the schedule is posted. If you cannot work the hours, it is your responsibility to find a replacement not your managers.

Tardiness

Tardiness is defined as reporting to the work station after the beginning of the scheduled work period. This means that employees must be at their appointed work station on time each regularly scheduled work period fully able and ready to work.

No-Call/No-Show

An absence without notification to the supervisor may be considered a voluntary resignation and result in the end of your employment.

Disciplinary Process

The disciplinary process for excessive attendance occurrences is as follows in the rolling 12-month period:

Personal Injury/SAFETY

Workers' Compensation

Most time or medical expenses incurred as a result of an accident or injury which happens to an employee while on the job will be compensated as required by the Workers' Compensation laws of the state in which he/she is employed. Workers' Compensation insurance is paid in full by [Company].

Employees injured on the job must inform the manager immediately and fill out a First Report of Injury.

Employees injured on the job may be required to submit to a post-accident testing program that will test for the presence of alcohol, controlled substances and illegal drugs. Detection of these substances through this test may result in disciplinary action, up to and including termination, and may affect Workers' Compensation or other insurance benefits related to the injury

Light Duty

“Light duty” is special, short-term work assignments which are not an employee’s regular position. Light duty is reserved only for employees who are recuperating from work related injury which qualifies for Workers’ Compensation. Light duty is temporary, and all assignments will have an end date which can only be extended by written notice. In the event the employee is unable to return to their regular pre-injury position at the end of the light duty work, the light duty will not become a long-term job.

Light duty may be at a different rate of pay, different location, and different hours and different duties than performed in the employee’s pre-injury position.

Light duty work may count as leave-time-used under Family and Medical Leave Act.

There is no guarantee of light duty work. Ace Hardware & Paint may not be able to place all those with Workers’ Compensation injuries into light duty positions. The amount and type of light duty work may vary from time to time based on the changing needs and budget and provisions of light duty work is at the discretion of Ace Hardware & Paint as it determines is in its best interest at the time.

Confidentiality

Certain information pertaining to the employer’s product and customer information is confidential.

Ace Hardware & Paint treats employee records and information with discretion. We cannot guarantee absolute confidentiality since business needs, internal audits and investigations may require sharing relevant information with others. We also are subject to audits, reporting requirements and information requests from various government regulatory agencies which may ask for and receive information and copies of records, including employee information.

IV. Employee Benefits

Definitions of Employment Status

Full-time regular employees are scheduled for, and work, 40 hours per week.

Part-time regular employees are scheduled for less than 40 hours per week. They may be expected to be available to work additional hours beyond their normal schedule during peak periods and to fill in for absences.

Salaried (exempt status) employees receive a set salary. Exempt employees routinely work more than 40 hours per week, but receive no extra overtime pay. Exempt employees may be subject to different pay provisions for time off work than hourly employees. Exempt employees’ pay is not subject to reduction for working less

than 40 hours per week, except in certain situations authorized by the Fair Labor Standards Act.

Non-salaried exempt employees have some positions that are paid on an hourly or commission basis and are exempt from overtime pay for working over 40 hours a week. Non-salaried exempt positions are paid at their special rate for hours worked, or are paid commissions.

Group Health Insurance

Group health insurance will be offered to each full-time employee working a minimum of 40 hours per week. DENWIN Inc. will pay 50% of employee's family insurance premium. Group health insurance is available after the first of the month following the first 90 days.

Simple IRA

DENWIN Inc. will offer a retirement plan. The plan is a SIMPLE IRA (SRA) called SRAdvisor.

Plan eligibility:

Must be 18 years or older

Employees qualify on the first day of the month following the first 90 days of continuous service.

FINTEGRA Financial Solutions will provide the plan. A representative from FINTEGRA will be available to provide general financial and investment information. If you have any questions, one can be reached at (952) 758-7526.

Employee Vacation

After one year of full-time employment as a full-time employee (40 hours), one-week vacation (5 days) with pay will be granted. The date of the vacation must be submitted to the manager two months before. Two weeks paid vacation (10 days) will be earned after three years of full-time employment. Three weeks (15 days) will be earned after six years of full-time employment. Four weeks (20 days) of paid vacation after nine years of full-time employment. Absolutely NO vacations will be allowed from April 15 through June 15th of each year.

As of 2006, employees will only be allowed to carry over 80 hours of vacation into the next year. If you have more than that un-used, you will lose those hours. All vacations are subject to approval from management.

Election Day

In most cases, your ability to vote in an election will not be hampered by your work schedule. If a problem arises, notify your supervisor who will arrange for time off to vote. The company encourages all employees to be informed and to exercise their right to vote.

Family Leave Act

Employees with over 1250 hours worked in the last 12 months may be eligible for up to 12 weeks of unpaid job protected leave for certain family and medical reasons such as:

1. To care for employee's child after birth, placement for adoption or foster care. For those who have completed one full year of employment, up to six weeks of unpaid leave of absence may be taken for the time preceding and following the birth or adoption of a child either due to the physical condition of the mother or the care needs of the new child. This leave of absence is available for either parent, father or mother. You may be required to provide verification of the need for such a leave
2. To care for employee's spouse, son, daughter or parent who has a serious health condition
3. For serious health condition that makes the employee unable to perform their job

Jury Duty

When you are called for service as a juror, DENWIN will reimburse you for the difference between the jury pay receive and your regular base pay for any workday you are required to be absent for jury duty during working hours. Jurors normally receive a daily transportation and meal allowances, which remains property of the employee. Upon completion of the jury duty, the employee should present a copy of the jury pay voucher to the manager-administration that the proper adjustment can be made.

Voting Leave

Employees who are eligible voters will be allowed reasonable, paid time off to vote the morning of a primary or general election, provided the employee cannot schedule time to vote at any other time

Funeral Leave

In the event of the death of a member of the immediate family, and employee may be absent without loss of base pay for up to three working days from the date of death up to and including the day of the funeral. The calendar day following the funeral may be included as one of the three days when considerable travel is required. Immediate family is defined as spouse, parent, child, sister, brother, and son-in-law, daughter-in-law, grandchild, father-in-law, or mother-in-law.

A one-day paid leave will be granted to attend the funeral of grandparents, sister-in-law and brother-in-law.

Holidays

DENWIN provides three (3) paid holidays:
New Years Day, Thanksgiving, and Christmas Day

To qualify for holiday pay one must be a full-time employee for at least ninety (90) days and must work the scheduled day before and the scheduled day after a holiday. Holiday Pay is for full time employees only.

Other Holidays

Memorial Day, July 4th, and Labor Day

Hourly personnel will be compensated at 1 ½ times their normal rate. Management personnel will be compensated with an additional ½ day off.

Employee Discount

All employees will have the benefit of a discount on all items of 10% above replacement cost for themselves and spouse only. Any miss-use or abuse can lead to termination of discount and or loss of job. No credit cards are allowed with the discount. Cash or Check only! A supervisor or manager must check out all employee purchases.

Pay

Each pay period is every two weeks. Pay begins on Sunday and ends on a Saturday. Paychecks cover time sheets for the pay period ending the previous week (*i.e.* a one-week lag). Paychecks are processed and distributed on Friday.

Your paycheck will contain information on your payroll deductions, year-to-date earnings, sick leave, and vacation usage. Please contact Your Manager or Donald if you have questions regarding any entry on your pay stub.

Accepting Gifts

No employees shall be allowed to accept monetary tips or gift gratuities as rewards from customers. Politely refuse any offered tips, explaining that store policy does not allow you to accept them.

Incentive Program

This program is for all employees who work 50 hours or more in a month's time. Qualify for this program after your first 90 days. Incentive pay is based on sales increase and average sale percentages from previous years. One can earn 12, 8, 5, or 2 hours of extra pay if both the sales and average sale increase. Both goals must be met. If one is increased by 5% and the other is 2% a 2 % incentive will be paid. Incentives are paid in the next pay period after the month is complete. The incentive goals are posted monthly.

Staff Meetings

Periodically we will have after hour store/staff meetings. These will be scheduled and you are expected to attend.



DENWIN INC
&
ALMNECT LLC

UPDATED June 2011

I understand that this handbook is neither a contract of employment nor a legally-binding agreement. I have had an opportunity to read the handbook, and I understand that I may ask my supervisor or any employee of any questions I might have concerning the handbook. I accept the terms of the handbook. I also understand that it is my responsibility to comply with the policies contained in this handbook, and any revisions made to it. I further agree that if I remain with the Company following any modifications to the handbook, I thereby accept and agree to such changes.

I have received a copy of the Company's Employee Handbook on the date listed below. I understand that I am expected to read the entire handbook. Additionally, I will sign a copy of this Acknowledgment of Receipt. The signed copy will remain in your employee file.

Thank You

Name_____

Date: _____

Date Returned to Manager: _____