



# **MIH ADMIN SERVICES, LLC**

## **EMPLOYMENT HANDBOOK**

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# **POLICIES**

# **YOUR EMPLOYMENT WITH MIH ADMIN SERVICES, LLC**

## **WELCOME**

Welcome to MIH Admin Services, LLC (the “Company” or “MIH”). We wish to take this opportunity to welcome you and extend our best wishes for a successful career with our organization. We are very proud of the people that work for our Company and strive to provide all of our employees with a safe and productive environment. Safety is a top priority and all employees have a responsibility to make sure the workplace is safe. All employees should report unsafe conditions to their supervisor, Human Resources, the General Manager, or the Regional Vice President.

Our Company’s progress and success depends largely on the cooperation and teamwork of each employee, regardless of the position. Customer satisfaction is the Company’s number one commitment. The full use of your knowledge, experience, abilities, and energy are important to our success as we work together to attain excellence.

This employee handbook provides information concerning our Company policies and practices. We encourage you to discuss with the General Manager, Human Resources, or your Supervisor any questions you may have regarding the Company’s policies described in this handbook or items that are not addressed in this Handbook.

Please remember that if you will treat everyone you meet - customers and coworkers alike - in the manner you would like to be treated, you will find your work very rewarding. We are proud to have you as a member of our team.

## **A WORD ABOUT THIS HANDBOOK AND EMPLOYMENT AT WILL POLICY**

The success of the Company depends on the competence and integrity of those who conduct its affairs. All employees bear a special responsibility to customers, to the General Manager, and to their fellow employees, all of whom expect standards of honesty, fairness, and quality. These traits enhance our Company’s reputation and help ensure success. Complete teamwork involves effort and cooperation by every member of the Company.

The Company expects each employee to follow the Company’s policies and procedures, which enables the Company to operate effectively and to provide quality service for customers. All statements were formulated without regard to race, color, national origin, religion, sex (including pregnancy), age, disability, or other protected categories.

Additionally, personnel policies are principles of personnel administration and are stated in definitive language, especially where the law is involved. In some areas of the handbook, however, the language is less restrictive and allows latitude in consideration of the facts of each situation. The text of the English original shall in all respects control an employee’s rights and obligations.

This handbook summarizes Company policies and practices. It is designed to acquaint you with the Company, and therefore you will find it to your advantage to read the entire handbook promptly. These policies are intended as guidelines only. Consequently, in appropriate

circumstances, the Company reserves the right to proceed differently than described in these guidelines. The Company reserves the right to make decisions involving employment as needed, and has the sole and absolute discretion to amend, supplement or rescind any policy, practice or benefit contained in this employee handbook, except employment at will. This handbook supersedes and replaces all prior handbooks, policies, procedures and practices of the Company. This handbook does not constitute a contract.

Your employment with the Company is entered into voluntarily, and you are free to resign at any time. Similarly, the Company may terminate the employment relationship at any time when, in its sole discretion, it believes it is in the Company's best interests. Neither this handbook, any Company policy, procedure, or other document, or any other communication by a managerial representative is intended in any way to create a contract of employment. Rather, employment at the Company is on an "at-will" basis. Any oral statements contrary to the foregoing or regarding future employment are not authorized and should not be relied upon unless confirmed in writing by the CEO of the Company. Supervisors do not have authority to make oral agreements guaranteeing employees' future promotions, pay raises, benefits, reassignments or transfers. Any such assurances must be in writing and signed by the CEO to be enforceable. Nothing in this paragraph or in this handbook shall be construed to affect the rights of employees and employers as defined by any applicable collective bargaining agreement or as established by federal law.

All references to the "Company" in this Manual shall be defined as MJKL Enterprises, LLC, Frontier Star 1, LLC, Frontier Star CJ, LLC, Frontier Star, LLC, Frontera Star Foods, LLC, Pizza Revolucion, LLC, Pizza Revolucion2, LLC, JC123 Holdings, LLC, MIH Admin Services, LLC, Venshur, LLC, MIH Star, LLC, MIH Star HD, LLC, MIH Star CJ, LLC, Manager 98765, LLC, Se Puede Estrella, LLC, Administrative Services, SRL, & MIH Restaurants.

To the extent your state law conflicts with the provisions in this handbook, the Company will comply with the state law as long as it is not inconsistent with federal law.

The provisions of this Handbook are independent of and separate and severable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

If you have any questions or concerns your General Manager is responsible for the operations of your Store and is a good source of information about the Company and your job.

### **EQUAL EMPLOYMENT OPPORTUNITY**

Our Company is committed to a policy of equal employment opportunity for applicants and employees. Our policy is to select, place, train, and promote the best qualified individuals based upon relevant factors such as work quality, attitude, and experience so as to provide equal employment opportunities for all our employees in compliance with applicable local, state, and federal laws. We will not discriminate against employees or applicants for employment in an unlawful manner including, but not limited to: race, color, religion, sex (including pregnancy), national origin, ancestry, citizenship, age (40 and over), marital status, physical or mental disability, medical condition, genetic factors, sexual orientation and/or any other characteristic



protected by state or federal law. Equal employment opportunity will be extended to all persons in all aspects of the employer-employee relationship including recruitment, hiring, promotions, training, transfer, discipline, layoff, recall, termination, and benefits.

You may discuss equal employment opportunity related questions with your Human Resources Director or any other member of management.

If you have a disability that you believe requires an accommodation, you need to request the accommodation in writing to your Supervisor. Please include the nature of the disability, nature of restriction(s) and nature of accommodation(s) you request.

### **IGUALDAD DE OPORTUNIDAD EN EL EMPLEO**

Nuestra Compañía está comprometida a una política de igualdad de oportunidad en el empleo para los solicitantes y empleados. Nuestra política consiste en seleccionar, colocar, capacitar y promover a los mejores individuos calificados en base a factores relevantes, tales como la calidad del trabajo, la actitud y experiencia a fin de proporcionar igualdad de oportunidad en el empleo para todos los empleados en el cumplimiento de las leyes locales, estatales y federales leyes. No vamos a discriminar contra los empleados o solicitantes de empleo de manera ilegal, inclusive, pero no limitado a: raza, color, religión, sexo (inclusive el embarazo), origen nacional, ascendencia, ciudadanía, edad (40 y más años), estado civil, discapacidad física o mental, estado de salud, los factores genéticos, la orientación sexual y/o cualquier otra característica protegida por la ley estatal o federal. La igualdad de oportunidad en el empleo se extenderá a todas las personas en todos los aspectos de la relación de empleado empleador inclusive reclutamiento, contratación, ascensos, capacitación, transferencia, disciplina, despido, el recuerdo, la terminación y beneficios.

Usted puede hablar sobre cuestiones relacionadas con la igualdad de oportunidad de empleo con su Director de Recursos Humanos o cualquier otro miembro de la administración.

Si en su opinión tiene una incapacidad el cual requiere un acomodo, debe solicitarlo por escrito a su Supervisor. Favor explique la naturaleza de la incapacidad, naturaleza de la(s) restricción(es), y el tipo de acomodo(s) que usted solicita.

*Las traducciones de ciertas políticas en esta guía se incluyen únicamente para su conveniencia. El texto del original en inglés controlará en todos aspectos los derechos y obligaciones de un empleado.*

# **EMPLOYEE CONDUCT**

## **EMPLOYEE CODE OF CONDUCT**

All Company employees shall be required, as a condition of employment, to read and electronically sign a form acknowledging receipt and understanding of the Company's Handbook and Employee Code of Conduct. By providing a copy of the Employee Code of Conduct electronically and making it available and accessible in the restaurants or from Human Resources to all employees, the Company seeks to ensure that employees understand their obligations and liabilities. The Code of Conduct is not intended to and will not be enforced in a manner that would interfere with employees' rights under federal law, including but not limited to the right to engage in concerted activity relating to terms and conditions of employment.

The Company expects every employee to maintain high standards of personal conduct and responsibility, and to promote a feeling of pride in being a part of the Company. Actions on the part of any employee that are contrary to this policy and detrimental to the best interests of the Company, including but not limited to the following actions, will be grounds for discipline up to and including termination of employment. Although it is not possible to provide an exhaustive list of all types of conduct and performance that are impermissible, the list below is intended to provide employees with some examples of behavior or conduct that are impermissible:

1. Unauthorized access, use, and/or disclosure of Company proprietary. Confidential, or trade secret information.
2. Malicious conduct and/or false accusation that tend to destroy friendly relations between the Company and its employees or between employees themselves which in any way hinders production, such as disrupting production or preventing any employee from performing his or her job.
3. Possession of firearms, dangerous weapons, or explosive materials on Company premises.
4. Violating safety or health rules or practices or engaging in conduct that creates a safety or health hazard.
5. Disorderly conduct on Company premises including, but not limited to: fighting, shouting, abusive language or threats, or other intimidating or threatening conduct.
6. Actual or threatened physical violence towards another employee, guest, vendor, or other persons.
7. Immoral, offensive or indecent conduct or display of offensive material while on Company premises.
8. Harassing, coercing, abusing or insulting another employee because of that employee's race, color, sex, religion, age, physical or mental disability, national origin or veteran's status.
9. Deliberate or careless damage to property of the Company or others.

10. Unauthorized removal or theft of property of employees, customers, or the Company or misappropriation of Company funds.
11. The unlawful manufacturing, distribution, dispensation, possession, sale, or use of illegal drugs; and the misuse of any legal drugs or alcohol while on Company premises, while using Company property, or while conducting Company business off Company premises is prohibited. Being under the influence of a substance of abuse while on Company premises, while using Company property or while conducting Company business off Company premises is also prohibited.
12. Altering or falsifying your own time cards or time related documents, transacting another employee's time card and time records, or permitting another employee to alter your time card or time records.
13. Falsifying or making material omissions on an employment application, Company enrollment or benefit claim forms or other work related documents or records.
14. Excessive tardiness or absence or failure to contact your Supervisor during an absence of one or more consecutive work shifts or leaving the Store without approval during the working time of employee's shift.
15. Insubordination (refusal or failure to perform work assigned or to comply with the orders and directions of a Supervisor).
16. Failure to maintain proper standards of workmanship or productivity or careless or inefficient performance of duties.
17. Using or asking others to use Company materials, computers, telephones or other facilities or labor for personal benefit or gain.
18. Smoking in buildings, vehicles, or outside areas that have been designated as "no smoking."
19. Failure to cooperate with the Company in the investigation of violations of Company rules or the employee code of conduct, or similar matters.
20. Conflicts of Interest. Employees should refrain from any outside business or activity that might cause their personal interest to conflict with or adversely impact the impartial discharge of their obligations to the Company. Each employee has a duty to be free and to appear to be free of any activity, agreement, business investment, interest, or other situation that might be construed as in conflict with the Company's interests or as an interference with the employee's duties to serve the Company to the best of his her abilities. A conflict of interest may be deemed to exist even though it does not result in financial loss to the Company and irrespective of the motive of the person concerned.

#### **ANTI-HARASSMENT, ANTI-DISCRIMINATION AND NO RETALIATION POLICY**

A fundamental policy of the Company is that the workplace is for work. Our goal is to provide a workplace free from tensions involving matters that do not relate to the Company's business. In particular, an atmosphere of tension created by non-work-related conduct, including ethnic, racial, national origin, disability, age, sexual or religious remarks, animosity, unwelcome

sexual advances or requests for sexual favors or other such conduct does not belong in our workplace. Do not engage in inappropriate conduct or comments based on age (40 and over), race, national origin, ethnicity, ancestry religion, sex (including pregnancy), gender, sexual orientation, disability, marital status, veteran status, or other protected categories.

Harassment, discrimination and retaliation can be a violation of state and federal laws if it is used as the basis for employment decisions or has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment. The Company's policy against harassment, discrimination and retaliation is much stricter than what the law requires because we have higher standards for our employees.

Harassment, discrimination and retaliation of employees or of applicants is prohibited. Harassment and discrimination includes, without limitation: verbal (derogatory statements, slurs, teasing, jokes, epithets and innuendo); physical (sexual and person touching, assault, physical interference with normal work or involvement); and visual (posters, cartoons, drawings, computer materials, sexual gestures).

### **Examples of Harassment, Discrimination and Retaliation**

Sexual harassment or discrimination includes unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact and other verbal or physical conduct, or visual forms of harassment of a sexual nature. Examples of harassment, discrimination and retaliation can include but are not limited to, the following:

1. Making a sexual or suggestive remark or gesture about any person's clothing, physical appearance or body (including whistling or "cat calls" and gestures using hand or body movements);
2. Referring to a person using a slang term or nickname that has a sexual, racial or ethnic connotation (such as "babe," "honey," "hunk," "stud," etc.);
3. Asking another employee for a date or making a sexual proposition when such an invitation is unwelcome to the other person;
4. Commenting about or asking unsolicited personal questions about another employee's sexual activities or social life;
5. Using vulgar or profane language, joking, telling a story, teasing, insulting or making an innuendo about a sexual subject;
6. Touching or brushing against another person in an unauthorized, personal or offensive manner (contact that is not accidental or incidental);
7. Staring or looking at another person in an offensive or improper way (including "elevator eyes" - looking up and down at an employee);
8. Bringing any sexually provocative or suggestive magazines, pictures, drawings, cartoons, calendars or objects into the workplace or viewing or retrieving such materials on any office computer.

9. Communicating that an employee will receive a job benefit or threatening to take unfavorable action against an employee based upon whether the employee submits to sexual conduct.
10. Targeting an employee who has made a complaint about harassment, discrimination or retaliation.

The Company will do its best to keep the workplace free of any conduct which creates an intimidating, hostile or offensive work environment for our employees. Your cooperation is needed to achieve the goal by reporting incidents of harassment, discrimination or retaliation.

**What To Do If You Feel Our Anti-Harassment, Anti-Discrimination  
and No Retaliation Policy Has Been Violated**

In the event that you see or hear of any conduct that violates this policy, we urge you to contact your supervisor or the supervisor of the department of the person who committed the conduct. You may also contact the Human Resources Department, RVP, or the President. The Company will, to the extent possible, treat the matter with the degree of confidentiality that is appropriate under the circumstances.

You should report any harassment, discrimination or retaliation, even if the person committing the conduct is not an employee of the Company. The Company's policy is to take appropriate action to protect its employees from harassment, discrimination or retaliation, regardless of who commits the harassment, discrimination or retaliation.

Charges of harassment, discrimination and retaliation will be investigated. If the Company determines that harassment, discrimination or retaliation has occurred, appropriate corrective and/or disciplinary action against the person who violated this policy will be taken, up to and including termination.

The Company will not tolerate retaliation against any employee for complaining about harassment, discrimination, or providing information in connection with any complaint. The Company wants and encourages its employees to report any potential harassment, discrimination or retaliation. Employees are required to cooperate with the Company during any investigation of harassment, discrimination or retaliation by providing information about any matters under investigation.

## **POLÍTICA ANTIACOSO, ANTIDISCRIMINACIÓN Y ANTIREPRESALIAS**

Es una política fundamental de la Compañía que el lugar de trabajo es para trabajar. Es nuestro objetivo ofrecer un lugar de trabajo adonde no se sienta tensión por cosas que no tengan nada que ver con los negocios de la Compañía. En especial, en el lugar de trabajo no debe existir un ambiente de tensión por conducta no relacionada con el trabajo, inclusive comentarios sobre origen étnico, raza, origen nacional, incapacidad, edad, comentarios sexuales u religiosos, animosidad/rencor, avances sexuales molestos o solicitando favores sexuales u otra dicha conducta. Compórtese de una manera apropiada y no diga comentarios que se basen en la edad (40 y mayor), raza, origen nacional, origen étnico, ascendencia, religión, sexo (inclusive embarazo), género, orientación sexual, estado civil, estado de veterano, incapacidad, u otras clasificaciones protegidas.

El acoso ilegal, la discriminación y las represalias pueden ser violaciones de las leyes estatales y federales si se usan en decisiones de empleo o tienen como propósito impedir el desempeño del trabajo de un individuo o crean un ambiente laborable intimidatorio, hostil u ofensivo. La política de la Compañía contra el acoso, la discriminación, y las represalias es más estricta de lo que requiere la ley porque tenemos normas más elevadas para nuestros empleados.

Está prohibido el acoso, la discriminación y las represalias contra empleados o solicitantes. El acoso y la discriminación incluyen, sin limitarse a: acoso verbal (comentarios insultantes, difamatorios, burlas, chistes, epítetos, e insinuaciones); físico (tocando la persona o tocando la persona sexualmente, asalto, interfiriendo físicamente con el desempeño del trabajo normal o involucramiento); y visual (carteles, caricaturas, dibujos, información en la computadora, gestos sexuales).

### **Ejemplos de Acoso, Discriminación y Represalias**

El acoso sexual o discriminación incluye avances sexuales molestos, solicitando favores sexuales, contacto físico sexualmente motivado, y otra conducta verbal o física, o formas visuales de acoso de una naturaleza sexual. Algunos ejemplos de acoso, discriminación y represalias pueden incluir pero no se limitan a, los siguientes:

1. Haciendo comentarios o gestos sexuales sobre el vestido de una persona, apariencia física o cuerpo (incluyendo silbidos o “cat calls” y gestos usando las manos o moviendo el cuerpo);
2. Refiriéndose a la persona con un término vulgar u apodo que tenga un sentido sexual, racial, u étnico (por ejemplo, como “nena,” “chula,” “bueno,” “guapo,” etc.);
3. Invitando a otro empleado a salir o proponiendo algo sexual cuando dicha invitación no es agradable para esa persona;
4. Comentando acerca de o preguntando sobre temas personales o sobre las actividades sexuales de otro empleado o su vida social;
5. Usando términos vulgares o groseros, chistes, contando historias, burlas, insultos, o haciendo insinuaciones sobre un tema sexual;

6. Tocando o pasar rozando a otra persona de una forma no autorizada, personal u ofensiva (contacto que no sea accidental ni imprevisto);
7. Mirando fijamente a otra persona de una forma ofensiva o impropia (incluyendo “elevator eyes” [ojos de elevador] – mirando el cuerpo entero de un empleado);
8. Llevando al trabajo revistas, fotos, dibujos, caricaturas, calendarios u artículos/objetos que sean sexualmente provocativos, o mirando u obteniendo dicho material en cualquier computadora de la oficina.
9. Comunicando que un empleado recibirá un beneficio en su empleo o amenazando a tomar medidas desfavorables contra un empleado que se base en el empleado sometiendo o no a conducta sexual.
10. Molestando a un empleado quien haya presentado una queja de acoso, discriminación o represalias.

La Compañía hará todo lo posible a mantener el lugar de trabajo libre de cualquier conducta que causa un ambiente laborable intimatorio, hostil u ofensivo para nuestros empleados. Se necesita su cooperación para cumplir con esta meta reportando incidentes de acoso, discriminación o represalias.

### **Que Debe Hacer Si Piensa Que Nuestra Política Antiacoso, Antidiscriminación y Antirepresalias Ha Sido Violada**

Si usted se da cuenta o se entera que ha sucedido algo prohibido por esta política, le recomendamos avisarle a su supervisor o el supervisor del departamento en donde trabaja la persona quien cometió la violación. Puede además dirigirse al Departamento de Recursos Humanos, RVP, o al Presidente. La Compañía hará todo lo posible a tratar el asunto de una manera confidencial como sea apropiado bajo las circunstancias.

Debe usted reportar cualquier forma de acoso, discriminación o represalias, aun si la persona cometiendo la conducta no es empleado de la Compañía. Es la política de la Compañía tomar las medidas apropiadas para proteger a sus empleados contra el acoso, la discriminación o represalias, sin importar quien haya cometido el acoso, discriminación o represalias.

Las acusaciones de acoso, discriminación y represalias serán investigadas. Si la Compañía determina que el acoso, discriminación o represalias ha sucedido, se tomaran medidas correctivas y/o disciplinarias contra la persona quien violó esta política, hasta e incluyendo terminación de empleo.

La Compañía no soportará represalias en contra de los empleados que se quejan de acoso, discriminación, o si proporcionan información relacionada con cualquier queja. La Compañía desea y anima a sus empleados a que reporten cualquier posible acoso, discriminación o represalias. Se requiere que los empleados cooperen con la Compañía durante cualquier investigación de acoso, discriminación o represalias proporcionando información sobre cualquier asunto bajo investigación.

*Esta traducción se incluye únicamente para su conveniencia. El texto del original en inglés controlará en todos aspectos los derechos y obligaciones de un empleado.*

## **YOUR SUPERVISOR**

Your Supervisor has accepted the responsibility of guiding you in the completion of your work and, as a result, needs to hear your questions, suggestions, and constructive ideas. Mutual understanding and open communication is important to doing the best job possible. Cooperative and positive attitudes lead to productive teamwork.

If you have any questions regarding any aspect of your assignment, or regarding any policy or practice of the Company, please consult your Supervisor for a complete explanation.

## **POOR PERFORMANCE**

All employees are expected to make every effort to learn their job and to perform at a satisfactory level at all times. Failure to do so may result in your termination.

## **INSUBORDINATION**

We all have duties to perform and everyone, including your Supervisor, must follow directions from someone. It is against our policy for you to refuse to follow the directions of your Supervisor or other management official.

## **CONFIDENTIALITY OF EMPLOYEE INFORMATION**

The Company will provide employee information to outside agencies only upon written authorization of the employee or as provided by law. Human Resources is the only authorized department for disclosure of information. Most banks, credit agencies, or other parties requiring employment information will provide you with an appropriate form. Authorization forms may also be obtained from Human Resources.

All requests for employment verification must be received by Human Resources in writing. The Company does not provide letters of recommendation. All telephone calls regarding a current or former employee's position/compensation with the Company **must** be forwarded to Human Resources. Employees should not pass on or relay any information regarding the employee with the person calling on the telephone or entering a Store.

The Company protects employee's confidentiality and expects the employees to protect the Company's confidences as well. Supervisors may not give out any information about an employee and must refer any phone calls seeking such information to the Human Resources or the General Manager.

In addition, the Company also expects that you respect the privacy of your fellow employees, both with employees and non-employees. Personal information about any employee may not be discussed with employees or non-employees without written Company authorization.

All records and files maintained by the Company are the property of the Company and are confidential. They are not to be copied or disclosed to any party except when authorized by management. Confidential information includes, but is not limited to correspondence or any other information concerning transactions with customers, customer lists, personnel and payroll records of present or past employees, financial records of the Company, records of purchases



from vendors and suppliers, computer files, financial matters, building plans, computer files, and any other information regarding the business affairs or operating practices or procedures of the Company.

### **CONFIDENTIALITY OF COMPANY INFORMATION**

As an employee of the Company you may learn confidential business information. During and after employment with the Company, confidential business information may not be shared with non-employees of the Company and may only be shared with Company employees on a need to know basis. If you violate this policy, disciplinary action will be taken up to and including immediate discharge, as well as possible legal action.

Employees are subject to the following requirements regarding confidentiality and nondisclosure of Company information and publicity rights as a condition of employment.

#### **1. Confidentiality and Nondisclosure.**

**Definition.** For purposes of this Policy, “**Confidential Information**” means any information or compilation of information, not generally known, which is proprietary to Company and relates to Company’s existing or reasonably foreseeable business, including, but not limited to, trade secrets, inventions (whether or not patentable), product concepts, know-how, test data and results, drawings, materials, equipment, specifications, recipes, formulations, techniques, processes, customer lists, recruiting lists, and any and all other data and information contained in or relating to Company’ business strategies and marketing plans or proposals, including without limitation that related to real estate selection, procurement and leasing, building or store construction, accounting or financial information, Company’ websites and client relationships, or any other proprietary information and data pertinent to Company’ business. All information that Company identifies as being “confidential” or “trade secret” will be presumed to be Confidential Information. Confidential Information will also include any confidential information of a parent, subsidiary or sister corporation of Company and any information disclosed by a third party under contract with Company, which contract requires THAT such disclosed information be kept confidential.

**Employee Acknowledges Access to Confidential Information.** Employee acknowledges that Company is in a highly competitive restaurant business and that Company’s success depends in great part on maintaining a competitive advantage through having and using Confidential Information and on maintaining good customer relations developed through its employees. Employee understands and agrees that as an employee of Company, Employee will have access to Confidential Information.

**Ownership of Confidential Information.** Employee hereby agrees that any and all Confidential Information, including all documents and other media containing Confidential Information and all reproductions (whether delivered to Employee, reproduced by Employee or generated by Employee) will at all times be and remain the sole and exclusive property of Company. In addition, nothing in this Agreement will be construed to convey to Employee any right, title, interest, license, or right to use Confidential Information or any other intellectual property, including, but not limited to, any patents, trademarks, trade secrets, or copyrights that may be disclosed or discussed with Employee outside the scope of their employment.

Non-Use and Nondisclosure of Confidential Information. During the Employment Term and following the termination of the Employee's employment with Company for any reason (whether such termination is voluntary or involuntary), Employee will not directly or indirectly use, furnish, disseminate, disclose, or authorize any disclosure to third parties of any part of the Confidential Information, in whole or in part, for any purpose whatsoever except to perform Employee's duties as are appropriate in conjunction with Employee's employment with Company. Employee further agrees that any Confidential Information Employee obtains will be disclosed only to those persons employed by Company whose duties reasonably require the need for such information, and then only on the basis of a clear understanding by those persons of their obligation to maintain confidentiality of such information and their obligation to restrict the use of such information as stated in this Agreement. Employee agrees that use or duplication of Confidential Information on behalf of third parties would constitute unfair competition, for which Company would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond. Furthermore, Employee agrees to refrain from any act that is injurious or prejudicial to any of the proprietary marks or other business aspects of Company.

## 2. Employee Developments.

Disclosure of Developments. Employee agrees to disclose to Company all ideas, concepts, discoveries, know-how, inventions, innovations, improvements, technical contributions, designs, methods, processes, compositions, formulae, techniques, recipes, promotional materials, marketing strategies, slogans, event plans, advertising layouts, trade dress, systems, machines, devices, data, technical information, patents, trademarks, trade secrets, copyrights, works of authorship including software and computer programs and any other intellectual property or proprietary information relating to Company and/or its restaurant business (collectively, the "Developments"), which Employee conceives, makes, creates or contributes to individually or jointly with others while an employee of Company. All such Developments will be deemed solely owned and the exclusive property of Company and/or are the works made for hire of Company to the extent provided by law.

Assignment of Developments. Employee agrees to assign and hereby does assign to Company or to Company's designee all right, title and interest in and to such Developments made or conceived by Employee during employment, or made or concede by employee during employment, or made or concede by employee after termination of the employment. After termination of the Employee's employment with Company if made or conceived through use of any Company resources, Confidential Information, facilities, equipment, trade secrets or time or resulting from the work performed by Employee for Company. Upon Company's request, and at Company's expense, Employee agrees to execute all instruments, including specific assignments required for securing, demonstrating or maintaining Company's rights in such Developments, as well as any other acts reasonably necessary to assist Company in obtaining and enforcing rights in such Developments.

Work Made for Hire. Employee acknowledges and agrees that all works relating to any products, services, methods, know-how, procedures, formulae, processes, specifications, and customer, client or recruit or temporary employee information, and anything of a similar nature which relate to Employee's employment with Company, whether the same are derived from the use of Confidential Information or otherwise developed or conceived by Employee will be deemed works made for hire, and will remain Company's property.

Derivations. Employee further agrees that for a period of two (2) years following the termination of the Employee's employment with Company for any reason (whether such termination is voluntary or involuntary), there will be an irrebuttable presumption that all products, services, methods, know-how, procedures, formulae, processes, specifications, and anything of a similar nature which relate to Employee's employment with Company, and which were formulated, created, or conceived of by Employee were derived from the use of Confidential Information or were otherwise developed, formulated, created, or conceived by Employee were derived during the terms of this Agreement, and, as such, the same will be and remain solely Company's property.

### 3. Right of Publicity

(a) Photographs. Employee understands that Company has obtained or may obtain one or more photographs, images and/or advertisements in the course of business that include Employee and/or Employee's likeness (the "Photographs"), and that Company intends to use the Photographs in connection with the promotion of Company's restaurant business.

(b) Publicity Rights. Employee acknowledges and recognizes that Company shall own all right, title and interest, to the extent allowed by law, in all rights of integrity, disclosure and publication and any other rights that may be known as or referred to as "moral rights," "artist's rights," "publicity rights" or the like associated with the Photographs (collectively "Publicity Rights"). Employee hereby assigns and transfers to Company, its successors, assigns, and legal representatives, the full and exclusive right, title, and interest to the Publicity Rights. Employee hereby agrees to allow Company to use the Photographs for any purpose of Company that does not violate any applicable law.

(c) Ratification. To the extent that Employee retains any such Publicity Rights under applicable law, Employee hereby ratifies and consents to any action that may be taken with respect to such Publicity Rights by or authorized by Company and agrees not to assert any Publicity Rights with respect thereto. Employee will confirm any such ratifications, consents, and agreements from time to time as requested by Company.

### **DISCIPLINE**

Discipline includes but is not limited to: verbal warning, written warning, suspension, demotion, transfer, termination or any other action.

The Company retains the right to terminate an employee's employment at any time with or without cause or advance notice. All employees are at-will.

### **TERMINATION OF EMPLOYMENT**

Upon termination, it is your responsibility to see that all Company property, keys, etc., are properly turned in prior to being issued your final paycheck.

## **RESIGNATION PROCEDURES**

Should an employee decide to resign, all Company-owned property (keys, credit cards, technical manuals, etc.) must be returned at the time employment is terminated. Employees who resign their employment are requested, but not required, to give two weeks' advance notice. Remember, your employment with this Company becomes a permanent part of your work history, and advance notice of your resignation will be noted favorably if an employee were to reapply for employment with the Company. Employees should notify the Company of any address changes to ensure that tax information and other communications are sent to the correct address.

## **REHIRED EMPLOYEES**

Employees who are classified as "eligible for rehire", when they separated from the Company, will be considered for rehire along with all other applicants. Their prior record with the Company will be considered in making rehire decisions. Employees who were classified as "ineligible for rehire" will not be considered for further employment with the Company.

## **PROMOTIONS AND TRANSFERS**

The Company believes that career advancement is rewarding for both the employee and our Company. Although promotions are not guaranteed and the Company has the discretion to hire externally, the Company will consider qualified employees for promotion to new or vacated positions. In addition, supervisors are available to discuss transfer opportunities with employees. In certain circumstances an employee transfer may be mandatory based on business needs.

## **PERFORMANCE REVIEWS**

Our performance review program is designed to provide a basis for better understanding between you and your supervisor, with respect to your job performance, potential and development within the Company. Performance reviews may be conducted during intervals established by the Company in its discretion, and may be formal or informal, written or verbal.

## **ON CALL**

It may be necessary for individuals in certain positions to be available by telephone after hours during the week or on the weekend. All salaried positions are considered on call positions.

## **ATTENDANCE AND PUNCTUALITY**

Attendance and punctuality are important factors for an employee's success with the Company and are a condition of employment. Employees are expected to report for work each day on time. Absenteeism and tardiness are expensive, disruptive, and they place an unfair burden on the Company, including other employees and supervisors. Unsatisfactory attendance, including reporting late or quitting early may result in disciplinary action, including suspension and/or discharge.

The Company relies on you to report to work regularly and on time. If you are going to be late or absent, you must contact your Supervisor immediately. If you are unable to report for work, regardless of the reason, you are to report the nature of your absence to your Supervisor as far in advance as possible, but in no case later than three hours before your scheduled starting time to provide the Company adequate time to cover your shift. If you have to leave early, you must obtain approval from your Supervisor. You are expected to call the Company prior to each shift that you are absent.

It is within the discretion of the employee's supervisor to determine if an absence will be considered as excused or unexcused. Failure to give notification of an absence will automatically be considered as unexcused. If an employee is absent without notifying the Company, it may be presumed that the employee has voluntarily abandoned their position and resigned from the Company. If notice is given and the Company does not think it justifies the absence, it will be considered unexcused.

The Company will take disciplinary action, up to and including termination, where attendance or tardiness is unacceptable. Unauthorized absence or excessive tardiness or failure to contact your Supervisor during an absence in excess of two (2) working days is grounds for discipline, up to and including termination.

### **PROOF OF ABSENCE**

If your absence is due to illness or injury, you may be required to provide a doctor's report supporting the necessity of your absence, as well as your ability to return to work, within 15 days of the absence or tardiness. It may also be required that you be examined by a physician appointed by the Company, at Company expense. If your absence is the result of personal emergency other than illness or injury, documentation showing proof that your absence was necessary also may be required.

### **COMPANY PROPERTY**

Each employee should respect the property of other employees as well as that of the Company. To willfully damage, destroy, or alter in any way machinery, equipment, materials, or other Company property or to remove any Company property without prior authorization is strictly prohibited. Should you inadvertently damage Company property, please report the incident to your supervisor.

All employees are expected to exercise care in the use of Company property and to use such property only for authorized purposes. Negligence in the care and use of Company property may result in suspension and/or termination. Unauthorized removal of Company property from the premises or its conversion to personal use may also result in suspension and/or termination.

Company property issued to you must be returned at the time your employment terminates or when management requests its return. The value of any property issued and not returned may be deducted from an employee's paycheck as permitted by state law. Additionally, any damage or loss to company property due to the employee's negligence may be deducted

from the employee's paycheck as permitted by state law. The Company assumes no responsibility for loss or damage to the personal property of an employee.

### **CONSTRUCTIVE DISCHARGE; PROCEDURE BEFORE RESIGNING DUE TO UNPLEASANT WORKING CONDITIONS**

You are encouraged to communicate to the Company whenever you believe working conditions may become intolerable to you and may cause you to resign. If you believe that you are being forced to resign due to unpleasant working conditions or unfair treatment, you should submit a written letter or memo to Human Resources to notify the Company of the problem. If you believe that you cannot continue to work while waiting for the Company to respond, you may be entitled to a leave of up to 15 days. The Company's policy is that such a leave will be unpaid.

Employees in Arizona are required under Section 23-1502, Arizona Revised Statutes, to notify an appropriate representative of the employer in writing that a working condition exists that the employee believes is intolerable, that will compel the employee to resign or that constitutes a constructive discharge if the employee wants to preserve the right to bring a claim against the employer alleging that the working condition forced the employee to resign.

Under the law, an employee may be required to wait for fifteen calendar days after providing written notice before the employee may resign if the employee desires to preserve the right to bring a constructive discharge claim against the employer.

### **COMPLAINT AND OPEN-DOOR POLICY**

The Company encourages employees to bring questions, suggestions, concerns, or complaints to the Company's attention. The Company is always looking for ways to improve operations. Employee's suggestions and comments are important to the Company, so employee's are encouraged to communicate openly with management. This Company has found that an "open door" policy helps make a peaceful and enjoyable workplace. We encourage you to take part in this process

If a difficulty arises at work, employees are encouraged to talk to their supervisor or Manager. The Company has a practice of dealing with such problems before major disruptions occur. If you have a problem, management wants to know about it. Every employee with a complaint should bring it to the immediate attention of his or her supervisor. If you feel the problem has not been resolved, you are encouraged to bring your complaint or grievance to the General Manager or Human Resources.

Please promptly report any complaint to Human Resources or the General Manager within fifteen (15) days. However, remember that Management's door is always open to you whenever you wish to discuss any matters pertaining to your work or your relationship to the Company. Please report to the Management any violations of law you observed within the organization or on the property.

## **WORKPLACE VIOLENCE POLICY**

This policy covers all employees of the Company, including independent contractors or their employees hired or used by the Company. The Company has a strong commitment to its employees to provide a safe, healthy, and secure work environment. The Company also expects its employees to maintain a high level of productivity and efficiency. The presence of weapons and the occurrence of violence or intimidating or threatening behavior in the workplace during working hours or otherwise are inconsistent with these objectives. While the Company has no intention of intruding into the private life of its present or potential employees, it expects all employees to report on the worksite without possessing weapons and to perform their job without violence or threats or intimidation towards any other individual. The Company expects all of its employees to work in a manner so that they can perform their duties in a safe and productive manner. Therefore, the Company has adopted and maintains this policy on workplace violence.

All current employees will be required to electronically sign an acknowledgment that they have received this Policy and understand its contents and intent. Any applicant or employee who refuses to sign said acknowledgment will be subject to discipline, up to and including termination.

The Company has the right to search any areas on Company premises for weapons including, but not limited to, lockers, furniture, containers, drawers, equipment or other facilities, lunch boxes, brief cases, personal bags, personal tool boxes or tool kits, parking lots, Company vehicles, and personal vehicles parked on Company premises.

If an employee is injured while participating in a fight or after instigating a fight, entitlement to Workers' Compensation benefits may be denied.

Employees should report threatening or intimidating behavior or acts of violence to a supervisor immediately. Employees should not engage in either a physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm to an employee or guest on Company premises, a supervisor should contact 911 as appropriate in the situation.

### **Inspection of Company Facilities**

In order to safeguard the workplace and the employees, and to assure efficiency and maximize productivity, the Company reserves the right, in its sole discretion and without notice to employees, to inspect, monitor or otherwise enter or search any office, desk, file, locker, closet or any other enclosed or open area in Company facilities and Company job sites (where permitted to do so) and to monitor or inspect any items found within such locations.

### **Prohibited Activities of Employees**

The Company specifically prohibits the following and will routinely discipline an employee, up to and including termination, for any of the following:

1. Engaging in behavior that is intimidating or threatening, either explicitly or implicitly.
2. Use, possession or sale of any weapon.
3. Storing any weapon in a locker, desk, vehicles, lunch box, tool kit, bag, purse, or other repository on the worksite or other Company premises.
4. Illegal possession, use, or sale of a weapon off Company property that adversely affects the employee's own or other's safety at work, or indicates a propensity to adversely affect the employee or coworkers.
5. Refusing to submit to an inspection for the presence of a weapon.
6. Conviction under any criminal statute for the illegal possession of a weapon or for committing a violent act against the person or property of another.
7. Refusing to participate in an investigation pertaining to allegations or suspicions that violence has or is likely to occur or an investigation pertaining to the carrying of a weapon by the employee or a co-employee or that threatening or intimidating behavior has occurred.
8. An employee's consent to submit to a search is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, up to and including termination.



## **DRUG AND ALCOHOL-FREE WORKPLACE POLICY OF** **MIH ADMIN SERVICES, LLC**

The Company is committed to providing a safe working environment for all employees, promoting the highest standards of employee health and productivity, and protecting the Company's reputation in the community. Therefore, the Company has implemented a drug-use and alcohol-impairment testing program. The goal of this policy is to maximize safety and productivity in the workplace, while preserving the privacy and dignity of employees. Under the conditions of this policy, all employees will be treated equally regardless of race, national origin, gender, creed, age, disability, position, seniority, or other protected categories.

### **I. DEFINITIONS**

The following definitions apply for purposes of this policy:

1. "Drugs" means any substance considered unlawful under the Controlled Substances Act, 21 U.S.C. § 812, or the metabolite of the substance. "Drugs" specifically include, but are not limited to, amphetamines, barbiturates, benzodiazepines, cannabinoids (marijuana), cocaine, methadone, opiates, phencyclidine, and propoxyphene. "Drugs" as used in this policy include synthetic drugs, as defined below.
2. "Alcohol" means ethanol, isopropanol or methanol, which are contained in products such as beer, wine, and distilled spirits or liquor.
3. "Synthetic drugs" mean any substance that is not lawfully prescribed to the employee that is designed or intended to mimic or create the effect of any drug made unlawful under the Controlled Substances Act, 21 U.S.C. § 812, including but not limited to Spice, K2, or an other substances containing JWH-018, JWH-073, JWHY-200, CP-47,497, or cannabicyclohexanol.

### **II. PERSONS SUBJECT TO TESTING**

This policy must be applied equally and uniformly to all compensated employees of the Company including all compensated officers, directors, and supervisors. All current employees, officers, directors or supervisors shall be subject to testing pursuant to the terms of this policy.

### **III. CIRCUMSTANCES UNDER WHICH TESTING MAY BE REQUIRED**

#### **A. PRE-EMPLOYMENT SCREENING**

Applicants may be requested to undergo a drug-use test as part of the pre-employment process.

## **B. ACCIDENT TESTING**

An employee may be required to submit to a drug-use test or alcohol-impairment test when the Company reasonably believes that the employee, while on the job site or during working hours:

1. Was involved in or contributed to an accident that did or could have resulted in an injury to the employee or another person.
2. Was involved in or contributed to an accident that did or could have caused equipment or material damage or loss.

Determinations regarding whether an employee's conduct falls within the above-described situations shall be made at the sole discretion of the Company.

## **C. SUSPECTED OF BEING UNDER THE INFLUENCE OR IMPAIRED**

Testing will be conducted when the Company has reasonable suspicion that an employee may be affected by the use of drugs or alcohol and that the use may adversely affect the job performance or the work environment. Some examples of when reasonable suspicion may exist include, but are not limited to, the following: if an employee is unable to perform normal job duties or normal body functions, has unexplained or excessive absences or tardiness, or otherwise appears to have used drugs or alcohol in a manner that may affect the employee's work. If the Company suspects that an employee is under the influence of drugs or alcohol, a supervisor must transport the employee to the designated testing facility.

## **D. RANDOM TESTING**

From time to time, the Company may require employees or groups of employees to undergo a drug-use test on a random basis.

## **E. CIRCUMSTANCES UNDER WHICH RETESTING MAY BE REQUIRED**

If a drug-use test or alcohol-impairment test is considered unsuitable or inconclusive by the employer for any reason, the employee may be immediately retested. Examples of unsuitable or inconclusive test results include, but are not limited to, specimens that are considered diluted or specimens that have a low urine specific gravity. An employee may be instructed to refrain from drinking water or using diuretics (subject to medical concerns) for a specified time period prior to the retest.

Failure of an employee to follow the employer's instructions or to cooperate with the employer in providing a suitable specimen with a specific gravity equal to or greater than 1.005 may be treated by the employer as a refusal to be tested or a positive test result, and may subject an employee to disciplinary actions up to and including termination.

If an employee tampers with the sample or otherwise attempts to affect the testing process or result, the employee may be subject to disciplinary actions up to and including termination.

#### **IV. TESTING METHODS AND COLLECTION PROCEDURES**

##### **A. SCHEDULING OF TESTS**

Drug-use testing will occur during, or immediately before or after, a regular work period.

##### **B. COSTS OF TESTS**

The Company will pay all actual costs for drug-use or alcohol-impairment testing required of current employees.

##### **C. TESTING PROCEDURES**

1. The method of testing for drug use will be urinalysis. The method for testing for alcohol impairment may be by breath, saliva, blood or urinalysis. A blood test may be used if for any reason the employee cannot provide a sample; for example, if the employee is unconscious or is unable to provide a urinalysis.
2. All sample collection and testing for drug use must be performed according to the following conditions:
  - a. The collection of samples must be performed under reasonable and sanitary conditions. The Company, in its discretion, will designate the Company that will collect samples and arrange for testing. The Company may change this designation in its discretion at any time.
  - b. Sample testing must comply with scientifically accepted analytical methods and procedures. Drug testing must be conducted at a laboratory approved or certified by the United States Department of Health and Human Services, the College of American Pathologists or the Department of Health Services.
  - c. Sample collections must be documented and these documentation procedures must include the following:
    - (i) Samples must be labeled in order to reasonably preclude the possibility of misidentification of the person tested in relation to the test result provided.
    - (ii) The person to be tested must have the opportunity to provide notification of any information that may be considered relevant to the test, including identification of currently or recently used prescription or nonprescription drugs or other relevant medical information to the laboratory and/or the Company's designated person.
    - (iii) The person being tested must present reliable individual identification to the person collecting samples.

- d. Sample collection, storage, and transportation must be performed in a manner reasonably designed to preclude the possibility of sample contamination, adulteration or misidentification.
3. Drug-use testing must include confirmation of any positive drug test results for employees. Confirmation of positive drug test results for employees must be by use of a different chemical process than was used in the initial drug-use test. The second or confirmatory drug-use test must be a chromatographic technique, such as a gas chromatography-mass spectrometry, or another comparably reliable analytical method.
4. Testing may be required for the following substances: amphetamines, barbiturates, benzodiazepines, cannabinoids (marijuana), cocaine, methadone, opiates, phencyclidine, and propoxyphene. The Company reserves the right to add additional drugs to this list.
5. A drug-use test shall be considered positive when the screening levels established by the laboratory are exceeded. Information regarding the screening cutoff levels for various drugs will be made available upon request. An alcohol-impairment test shall be considered positive when an employee's test exceeds .04%.

## **V. DISCIPLINARY CONSEQUENCES**

### **A. CONSEQUENCES OF REFUSAL TO PARTICIPATE IN TESTING**

Refusal to participate in drug-use or alcohol-impairment testing shall be grounds for immediate termination of employment with the Company. Applicants who refuse to undergo testing or who fail to cooperate with the testing procedures will not be hired and will not be reconsidered for employment.

### **B. CONSEQUENCES OF A POSITIVE DRUG-USE TEST OR ALCOHOL-IMPAIRMENT TEST**

On receipt of a confirmed positive drug-use or alcohol-impairment test that exceeds .04%, the Company may take disciplinary or rehabilitative actions including:

1. The employee may be required to enroll in an approved rehabilitation, treatment or counseling program, at the employee's own expense, which may include additional drug testing and alcohol impairment testing, as a condition of continued employment; and/or
2. The employee may be subject to discipline, up to and including termination, in the discretion of the Company.
3. Any applicant will not be hired or considered for employment.

An employee who has enrolled in an approved rehabilitation, treatment or counseling program and/or was subject to suspension or other adverse employment action based on having

tested positive on a drug-use test or having exceeded .04% on an alcohol-impairment test, will be immediately terminated if such employee subsequently tests positive on a drug-use or alcohol-impairment test.

Furthermore, pursuant to applicable state laws, individuals may be denied workers' compensation claims in circumstances where the individual tests positive for drugs and alcohol and drug or alcohol impairment was a substantial contributing cause of the accident.

## **VI. CONFIDENTIALITY OF RESULTS AND ACCESS TO RECORDS**

### **A. COMPANY RECEIPT OF TEST RESULTS**

The Company will provide results to only those individuals designated by the Company. These individuals will notify only the employee and supervisor of the test results.

### **B. CONFIDENTIALITY OF TEST RESULTS**

1. The Company will not release any information regarding the test results without the written consent of the individual tested, except as required or permitted by law.
2. All communications received by the Company relevant to drug-use and alcohol use test results and received through this testing program are confidential communications and may not be used or received in evidence, obtained in discovery or disclosed in any public or private proceeding, except in a proceeding related to an action taken by the Company or an employee in connection with this policy and except disclosure to:
  - a. The tested employee or any other person designated in writing by that employee.
  - b. Individuals designated by the Company to receive and evaluate test results or hear the explanation of the employee.
  - c. An arbitrator or mediator, or a court or governmental agency as authorized by state or federal law.

### **C. ACCESS/EXPLANATION BY TESTED EMPLOYEE**

1. The tested employee has the right, upon request, to obtain the written test results of tests conducted on that employee.
2. Employees have the right, upon request, to explain the test result to the Company in a confidential setting.

## **VII. GENERAL PROVISIONS**

### **A. COMPLIANCE WITH ARIZONA MEDICAL MARIJUANA ACT AND ILLINOIS MEDICAL MARIJUANA ACT.**

For employees in Arizona and Illinois, the Company will comply with the Medical Marijuana Act unless doing so would cause the Company to lose a federal licensing or monetary benefit or the Company is otherwise prohibited from complying based on an applicable federal law. The Company will not discriminate against or make employment decisions relating to a medical marijuana cardholder based solely on their status as a cardholder. Unless otherwise required by federal law, the Company will not base decisions relating to medical marijuana cardholders solely upon a positive drug test for marijuana. Pursuant to the Medical Marijuana Act, employees may be disciplined or terminated if impaired while at work, or if the employee possesses or uses marijuana while at work. Signs of impairment include but are not limited to: red, bloodshot eyes; dilated pupils; poor concentration; impaired perception of time; loss of energy; impaired perception of distance; abnormal or erratic behavior; slow and deliberate responses; slow reflexes; incoherent speech; odor; and impaired balance or coordination.

### **A. COMPLIANCE WITH STATUTE**

This policy is intended to comply with the requirements of Arizona Revised Statutes §§ 23-493 through 23-493.11, 23-619.01, and 23-1021(C); Ky. Rev. Stat. Ann. § 304.13-167; and Tenn. Code Ann. §§ 50-9-101 *et seq.*

### **B. NO TESTS FOR OTHER SUBSTANCES OR CONDITIONS**

Except as otherwise permitted by law, no sample taken for testing shall be tested for any substance or condition except drugs as defined herein.

### **C. DISTRIBUTION**

This policy will be provided to all employees.

### **D. USE, POSSESSION OR SALE OF DRUGS OR ALCOHOL**

1. The Company will not tolerate the use or possession of alcoholic beverages while an employee is in Company vehicles or on Company time.
2. The Company will not tolerate the use, possession, sale or transportation of illegal drugs on Company property, on Company time (even if not on Company property) or in Company vehicles.
3. The Company has the right to search the personal property of employees and employee work areas, including desks, lockers, tool boxes, etc. at any time.

#### **E. PRESCRIPTION AND OVER THE COUNTER DRUGS**

Use of prescription drugs, in their original container, prescribed by a licensed physician as medication for use by the person possessing the medication is allowed. Any employee taking a legal drug or medication (over-the-counter or by prescription) which may adversely affect judgment, coordination, causes impairment, or the ability to perform assigned job duties, must notify his/her supervisor or human resources before starting work that his or her judgment or coordination may be impaired based on information contained in prescription or over the counter drug warning labels or notices and/or doctor's advice or notes, or employee's own perception of symptoms.

All individuals will be provided the opportunity to list all medically prescribed drugs at the time that the individual is providing a specimen for testing. Individuals must report any legally prescribed drugs they are taking to the testing company or laboratory prior to providing a sample for testing. This portion of policy only applies to prescribed medications and over the counter drugs that are legal in the United States.

#### **VIII. NO CONTRACT RIGHTS IN FAVOR OF EMPLOYEES**

This policy is not meant to be a contract, and the Company may amend, change or discontinue this policy at any time. Employment at the Company is at-will and may be terminated by the employee or by the Company at any time, with or without cause.

# **GUEST RELATIONS AND INTERACTIONS**

## **GUEST RELATIONS**

The Company's reputation is built on excellent service and quality work. Maintaining this reputation requires the active participation of every employee.

The opinions and attitudes that guests have toward our Company may be determined for a long period of time by the actions of one employee. It is sometimes easy to take a guest for granted but if we do, we run the risk of losing not only that guest, but his or her associates, friends or family who may also be guests or prospective guests.

Each employee must be sensitive to the importance of providing courteous treatment in all working relations.

## **GREETING**

The Company committed to ensuring that each guest has a pleasant experience in our Stores. Each guest who visits our Stores should be welcomed with a friendly greeting. All of our guests must be immediately and pleasantly greeted (example: "Hello, Welcome In!"). This will help ensure that the guest has a pleasant experience.

## **SMILE**

Greet each guest with a smile. Your smile is worth a thousand words. Use it to convey your sincere desire to make the guest happy.

## **SINCERITY**

Honest concern for each guest in our Stores is very important. This is conveyed by the attitude you present to the guest and the interest you show in their needs.

## **EYE CONTACT**

If a friendly tone of voice and a nice smile are not accompanied by good eye contact, the welcomed feeling may be lost. It is important that good eye contact be used during all exchanges with a guest.

## **COURTESY**

Courtesy can be displayed both verbally and non-verbally, from the tone of your voice when you are greeting the guest, to your smile while listening closely to their needs, through your thanks to them joining us and inviting them back. Always show courtesy to guests and other visitors.



## **GUEST INCIDENTS**

Whenever a guest claims to have become ill or injured from consuming product (food-borne illness, broken tooth), claims to have been injured on the premises, or has sustained a loss or damage to his/her personal property (auto, clothing), please comply with the following Do's and Don'ts:

### **Do's**

- ☐ Do be courteous and attentive to the guest. Make sure you fully understand the guest's concern. If it is important enough to the guest to bring it to your attention, it should be important to you.
- ☐ Do be apologetic without admitting guilt or responsibility. Example, "I am sorry you have had a bad experience."
- ☐ Do call 911 if the guest requires emergency medical attention (Also See: "Don'ts")
- ☐ Do fill out a Guest Incident Report.
- ☐ Do immediately call your Supervisor.
- ☐ Do attach any foreign object to the Guest Incident Worksheet and give to the Director of Loss Prevention. You must take a picture of the object or item the guest claims caused the injury or illness (chair, table, foreign object, bone chip, etc.)
- ☐ Do call your supervisor or a Director immediately if you are not sure how to handle a guest incident.
- ☐ Do advise the guest that you will be reporting the incident immediately. If they wish to speak with a Company representative, give them the corporate office phone number.

### **Don'ts**

- ☐ Do NOT throw away any evidence (foreign objects, bone chips, broken chair) that a guest alleges caused their illness or injury. Wrap and mark any food product with the guest's name and the date and freeze the product until further notice. Inform your supervisor of the object.
- ☐ Do NOT authorize medical treatment. If the guest believes they need medical attention they should consult with their own physician (doctor) at their own expense.
- ☐ Do NOT become defensive with the guest and argue negligence or responsibility for the injury or illness
- ☐ Do NOT give the guest a copy of the Guest Incident Worksheet. The Worksheet is for internal Company use only!

**\*\*IMPORTANT\*\***

In cases related to E-coli, Salmonella, Hepatitis, any food-borne illness, or that involve the Health Department you must immediately contact your Corporate QA Department.

## **EMPLOYEES AS GUESTS**

The Company welcomes all employees to be guests in our Stores. While a guest, we ask that you conduct yourself in a mature fashion, not wear Company uniforms, and refrain from

disrupting the operation of our business. We hope you enjoy your visit in our Stores and plan to visit us often.

### **DISCOUNTS POLICY**

We value all of our guests so much and we are happy to be able to extend discounts to the following guests:

- 10% discounts will be given to all Senior Citizens, Active Military, Retired Military, Police Officers, Safety Officers, Sherriff's Deputies, Firemen, EMC, & Paramedics. These discounts should always be given regardless of promotion, discount, coupon or combined promotion. It should always be given.
- 20% to all ACTIVE Employees and their accompanying guests carrying a current 20% discount card issued by our franchisors or for any employee of the Company carrying a paycheck stub (if employee is on the clock and their family comes in their family is eligible for the 20% discount while they are working)
- 50% to all ACTIVE Employees only while on the clock and within 30 minutes before and after their scheduled shift.

### **PCI AWARENESS POLICY**

The Payment Card Industry Data Security Standard (PCI DSS) is a set of requirements designed to ensure that **ALL** companies that **process, store** or **transmit** credit card information maintain a secure environment. As such it is important that all employees follow the following guidelines when handling credit cards and credit card data.

1. Make sure the card is signed
2. Be aware of guests purchasing large amounts of giftcards on Credit cards.
3. If the card does not swipe, ask for another form of payment
4. Do not write down the card number
5. Check the credit card terminals regularly to make sure nothing looks tampered with, and report stolen terminal immediately.
6. Never call the number on the back of the card
7. Never allow the cardholder to call the bank and then transfer the call to you, the employee.
8. You, the employee, **MUST** keep alert and watch for suspicious activity

### **HANDLING ALCOHOL/LIQUOR POLICY**

This Policy Section is designed to help educate our employees that handle or sell Alcohol on the rules and regulation of Liquor Laws.

First and foremost the employee serving alcohol must be at least 19 years old and if required by state law have a liquor handling permit. Second every guest/customer that appears under the age of 40 years old must be carded no exceptions.

## **Alcohol serving and times**

Alcohol should only be served during times allowed by the jurisdictional laws of your stores. All alcohol and alcohol related items secured when not in use or before & after allowed hours.

Serving alcoholic beverages before or after the time specified, will result in disciplinary action up to and including termination, and may also result in violations that come with fines and/or jail time. Alcohol must only be served within the confines of the store dining areas and must not leave property.

Employees must not sell alcoholic beverages to any guest/customer that already appears intoxicated. How do you know when a person is already intoxicated, you ask? You can generally tell when a person is intoxicated when they have lost their inhibitions, lost their judgment, have slow reactions and/or appear uncoordinated. If the guest appears to be violent in any way contact the police and your immediate supervisor.

## **Identification of Legal Age**

Every guest that appears under the age of 40 years old must be carded. Follow the laws of your local jurisdiction. For instance the only acceptable types of ID to be used as proof of age in Arizona are:

1. Driver License from any state or Canada
2. ID card from any state or Canada
3. U.S. Military ID Card
4. Passport
5. Mexican Voter ID Card

To be acceptable an ID must BE CURRENT, show a date of legal age, be unaltered, other than normal wear and tear and have a photograph of reasonable likeness. Always test ID holders on their IDs, such as asking them to recite their address, zip code, height and or even their zodiac symbol. If you are shown a counterfeit or altered ID do not return it to the guest/customer and call police right away. If a group orders an alcoholic beverage you must card entire group.

As is typically required by state or local laws, weapons are never allowed in our establishments particularly those serving alcohol.

## **EMPLOYMENT POLICIES**

### **IMMIGRATION LAW COMPLIANCE**

The Company is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin. In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. All offers of employment are contingent upon satisfying these federal requirements and any additional state-specific requirement.

#### **E-VERIFY**

Where required by law, the Company uses E-Verify. E-Verify is an internet-based federal government system that allows businesses to confirm the eligibility of their employees to work in the United States. The Company will use E-Verify to confirm the employment authorization of all newly-hired employees.

The Company will not use E-Verify to pre-screen job applicants and will not limit or influence the choice of documents presented for use on the Form I-9.

The Company uses E-Verify's photo screening tool, when applicable, to match the photograph appearing on some permanent resident and employment authorization cards, a U.S. Passport, or a U.S. Passport Card with the official U.S. Citizenship and Immigration Services (USCIS) photograph.

### **PERSONAL BELONGINGS**

Employees are encouraged to avoid bringing valuables to work. The Company does not carry any insurance to cover employees' vehicles, and/or items of a personal nature that are on the Company property. The Company will not be responsible for any fire, theft, or any other catastrophe, relating to personal property. Pursues, wallets, and other personal belongings should be kept in an off premise locked or secured location.

### **VISITORS IN THE WORKPLACE**

To provide for the safety and security of employees and the facilities at the Company, only authorized visitors are allowed on the frontline, kitchen, office, storage areas, or other "employees only" designated areas of the Store. If you have questions about who is an authorized visitor, General Managers can explain who is or is not an authorized visitor.

If an unauthorized individual is observed in "employee only" areas, employees should immediately notify their Supervisor or the General Manager.

## **SMOKING**

Pursuant to applicable state laws and Company policy, smoking is not permitted in any Stores. Employees are not allowed to smoke on Company property or while wearing a Company uniform in areas where the employee may be visible to guests. If an employee is permitted to smoke on breaks, it must be out of the view of guests. Smoking is permitted only in designated smoking areas.

## **THEFT**

Our society has laws against theft, and so do we. To protect you, your coworkers and the Company, we reserve the right to inspect all purses, briefcases, packages, tool boxes, lockers, and vehicles on the Company's property. If you wish to remove any Company property from the premises, you must obtain written permission in advance from your supervisor. Theft from the Company may result in referral to the appropriate law enforcement agency, as appropriate.

## **UNIFORM & GROOMING GUIDELINES FOR HOURLY EMPLOYEES**

We want our employees to always look their best. Our success is largely dependent on both the quality of our service and the level of our professionalism as a Company. Our standards are high, so we invest in our employees, because we care about your appearance. We want you to make a good impression.

Because each employee is a representative of the Company in the eyes of our guests, it is important for each employee to report to work properly groomed and in appropriate professional work attire or proper uniform as it applies to your position.

The Company will provide uniforms and name badges (such as shirt and cap). Other items (such as pants and shoes) are provided by the employee and may be purchased from a local retailer. Your General Manager can explain the available options to you if you have questions.

All uniform items provided by the Company are on loan to you while you are working for the Company. Upon termination, you must return these items in good condition, except for normal wear.

### **Uniform Guidelines for Hourly Employees.**

Your job requires a uniform and you should wear it at all times while on duty. It is machine washable and should be clean and neatly pressed at the start of each work day.

1. You must always report to work in a clean, wrinkle-free uniform.
2. Caps (if applicable)
  - Crew Persons: Caps must be worn at all times.
  - Shift Managers: Caps must be worn at all times.
3. Button Shirts (if applicable)
  - If applicable, shirts must be tucked neatly into pants; Sleeves may not be folded up.
  - All buttons must be buttoned; collar (top) button is to be left open.

- An undershirt (in good condition and white or black only) may be worn.
- 4. Polo Shirts (if applicable)
  - Shirts must be tucked neatly into pants. Sleeves may not be rolled up.
  - An undershirt (in good condition and white or black only) may be worn.
  - All buttons must be buttoned; collar (top) button is to be left open.
- 5. T-shirts (if applicable)
  - Shirts must be tucked neatly into pants.
  - Sleeves may not be rolled up.
- 6. Pants & Belt
  - Pants and belt must portray a professional image to our customers.
  - Jeans\*, sweatpants or knit pants are not acceptable.
  - Pants must fit properly and look professional.
  - Pants must be worn with a plain black belt\* at all times.
  - Back pockets must be buttoned.
  - Pants must be hemmed to proper length.
  - Pant legs cannot be rolled up or "pegged" at the cuff.

\*Does not apply to Pizza Patron employees
- 7. Socks
  - Black socks must be worn.
  - Natural colored or black nylons may be worn by female employees.
- 8. Shoes
  - Shoes must be closed-toed and made of heavy durable material.
  - The soles must be skid resistant.
  - The shoes must be clean and polished and in the appropriate color depending on Company.
  - Shoes that do not meet safety standards may not be worn.
- 9. Jackets / Aprons / Sweaters (if applicable)
  - An approved jacket may be worn at the Drive-Thru windows or outside change-maker position.
  - The black apron may be worn by backline (kitchen area) employees.
  - A clean, plain black turtleneck sweater may be worn under the shirt.
  - Sweaters may not be worn over the uniform shirt, unless it is a Company provided uniform sweater.

### Jewelry

While on the job you may wear only the following approved jewelry:

- A plain, unadorned wristwatch;
- One plain unadorned wedding ring;
- One class ring; or
- One engagement ring

Only one ring may be worn on each hand. The ring must be easy to rinse clean and cannot be wrapped with yarn or other material that may attract bacteria or get into food products.

Conservative earrings may be worn; however, they must not hang more than 1/2" below the ear. Earrings are not acceptable for male employees. Religious necklaces are acceptable as long as they are worn underneath the uniform.

### Good Grooming Standards

You are asked to practice good personal hygiene at all times. Your hair should be clean and well groomed and your nails should be clean and neatly clipped at all times.

These standards have been set by the Company to comply with state and local health laws and in view of what is pleasing to our guests. You are expected to meet these standards during every shift.

1. All long hair must be up and away from your face.
2. Hair must be confined and collar length or shorter.
3. Hair spray or a full hair net should be used to control hair.
4. Natural hairstyles may be worn to a maximum of two inches from the head for males, five inches for females.
5. Tattoos should not be visible to our customers.
6. Your hands must always be clean.
7. Fingernails must be clean and neatly clipped.
8. All employees must bathe and use deodorant on a daily basis.
9. Hair should be clean and well groomed.
10. Practice good personal hygiene at all times.

#### Males:

1. Must be clean shaven at all times.
2. A neatly trimmed mustache may be worn but should not extend below the upper lip or further than the corner of your mouth.
3. Beards are not permitted.
4. Sideburns should be neatly trimmed and not extend below the bottom of the ear.
5. Make up is not acceptable.
6. Nail polish or false fingernails are not acceptable.

#### Females:

1. Side curls, or hair in front of the ears, is not permitted.
2. Make-up must be kept in soft tones. No heavy shades.
3. Nail polish must be clear or a light shade.
4. False fingernails are not to be worn in the Store.

All employees are expected to maintain a professional image at all times. Styles or fads that are not socially acceptable to our guests are not acceptable as part of our employee appearance standards.

If you ever have a question regarding our appearance standards, please talk to your immediate supervisor. He/she will make the final decision.

## **EMPLOYMENT OF RELATIVES**

Although the Company does not strictly prohibit the employment of relatives in all circumstances, there are significant restrictions on the employment of relatives. In some cases, the employment of relatives has the potential to cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships.

Relatives of current employees are eligible for employment with the Company, however the Company reserves the right (to be determined on an individual, case by case basis) to transfer one of the employees into a position where potential problems of supervision, safety, security, morale, or potential conflicts of interest will not exist. For purposes of this policy, a relative is any person who is related by blood or marriage or whose relationship is similar to that of persons who are related by blood or marriage. This includes but is not limited to an employee's parent, child, spouse, brother, sister, in-laws and step relationships.

If two employees marry, are dating, or become related, and any of the potential problems noted above exist, only one of the employees will be permitted to remain in the same Store. The other employee must either transfer to a different location if a position exists, or must separate their employment with the Company. The decision as to which relative will remain in the same Store and which one will be transferred or separated from the Company will be made by the Company depending on the needs of the business.

In cases where a conflict or the potential for conflict arises between two employees, even if there is no reporting relationship involved, the Company reserves the right to separate the parties by transferring or separating one or both of the employees from the Company.

## **OUTSIDE EMPLOYMENT**

Employees may hold jobs outside of the Company as long as the outside employment does not interfere with the performance of their duties for the Company and they meet the performance standards of their job with the Company. All employees will be subject to the Company's scheduling demands regardless of any existing outside work requirements. If management determines that an employee's outside work interferes with their performance, or their ability to meet the requirements of their position at the Company, we may request that the employee terminate their outside employment if the employee wishes to remain with the Company. Outside employment that constitutes a conflict of interest is prohibited.

## **EMPLOYEE PARKING**

Your Store has designated employee parking areas. The most convenient parking spaces are reserved for our guests. General Managers will show their employees where they can park.

## **EMPLOYEE ENTRANCES AND EXITS**

Employees are required to enter and exit the Store through the door designated by the General Manager.



### **STORE IDENTIFICATION**

All Corporate employees are asked to carry identification when visiting Store locations. Employees are required to call your Immediate Supervisor to verify identity of individuals trying to enter their Stores.

### **MANAGER'S OFFICE**

The Manager's Office is for Management use only. Employees should enter the office or use the Back Office Computers only when instructed by Management.

### **VENDOR RELATIONS**

Employees shall at no time accept gifts from existing or potential Company vendors, except in limited circumstances employees may accept free meals and/or entertainment of minimal value. If there is every any question as to what is acceptable, please feel free to contact the Chief Executive Officer.

## **PAYROLL-RELATED INFORMATION**

### **WORK SCHEDULE & EXCHANGING SHIFTS**

Working hours may vary. The General Manager will assign individual work schedules. Employees are expected to work the hours posted on their work schedule and be at their work station at the start of their scheduled shift, ready to perform their work. If you need to change your schedule or need a special day off, ask your supervisor for the correct procedure to follow. Punctual and consistent attendance is a condition of employment.

If it becomes necessary for an employee to leave the Company's premises during working hours, permission to leave must be obtained from the employee's supervisor before the employee leaves. Employees who leave the premises for personal business or business that is not part of their job, must clock out when they leave. This provides us with a permanent record of your time should there be any questions regarding compensation for hours worked, an accident "on-the-job," or workers' compensation. Employees who leave without prior approval from management may be deemed to have "walked off the job" and as such, may have voluntarily terminated their employment.

For the efficient and smooth operation of our Stores, Management reserves the right to schedule hours and adjust the work schedule or to assign employees to jobs other than their usual assignments as appropriate to manage the business. Accordingly, the General Manager may increase or decrease an employee's hours and may require overtime work as he/she deems necessary and appropriate. The Company offers no guarantee of shifts assigned, days of work or number of hours scheduled. These decisions will be made based on our business needs.

Any personal time must be cleared with your Supervisor. The Company does not compensate employees who take personal time.

An employee is not permitted to exchange shifts with another employee without the prior authorization of their supervisor. No authorization for exchanging shifts will be granted unless the exchange can be accomplished without interference with the Company's operations and without either employee working overtime.

### **TIME RECORDS**

Federal laws require that an accurate record of hours worked by every employee must be kept. Hourly employees must clock in and out on the Time Recording system using their assigned employee numbers. Employees are required to sign a certification sheet acknowledging that the time recorded is a true and accurate representation of the time that the employee actually worked. Employees are not permitted to clock in/out for another employee. Misuse of time records may result in disciplinary action, up to and including termination of employment.

Salaried, exempt personnel are not required to punch a time card, fill out a time card, or sign a time sheet, but may be asked to do so. In addition, salaried, exempt employees will not receive overtime compensation.

## **MEAL AND REST PERIODS**

Non-exempt hourly employees are provided the following breaks, unless state law requires otherwise. Where state law requires additional breaks, the Company will comply with the requirements of state law:

4 - 7 hour shift = one 10 minute paid Rest period,  
7 hour shift or more = one 30 minute unpaid Meal period.

Employees should consult with their manager to determine if the employee's schedule includes scheduled meal or break periods. Employees must take meal and break periods when scheduled and may not skip meal or break periods unless approved in advance by a supervisor. Employees are expected to observe assigned working hours and the time allowed for break periods. Employees should not leave the premises during 10 minute rest periods because they are considered "on duty."

You may be requested to end your rest period early and return to work due to an unforeseen circumstance (i.e. increase of volume, a peer is suddenly not able to work, etc.) in which case you will be allowed to finish your complete rest period later in your shift.

You are not permitted to eat or chew anything (e.g., gum, ice or candy) while on duty and in view of our guests. Also, all drinks are to be consumed only in the break area.

Employees must strictly adhere to this policy. Employees who violate this policy may be subject to disciplinary action up to and including termination of employment

## **PAYDAYS AND PAYCHECKS**

The pay period is Tuesday through Monday. Employees are paid biweekly on every other Monday. Each paycheck covers work performed through the end of the pay period completed the week prior to the payday. Non-exempt employees are responsible to ensure that their time records are accurate and complete. Falsification of time records or completion of another employee's time records may result in immediate termination.

Employees should review paychecks and let Human Resources know about any errors immediately but no later than seven (7) days after receiving the paycheck.

Paychecks are no different than cash. If for any reason an employee loses their paycheck or it is stolen, a replacement check may not be issued unless 45 days has passed from the date the original check was issued and it has not been cashed.

No one besides you may pick up your paycheck.

## **FINAL PAYMENT**

Employees who resign or whose employment is terminated will receive a final paycheck according to the requirements of the state law in the state in which the employee works, but no later than the next regular payday. To the extent permitted by applicable state law, all money

that the employee owes to the Company will be withheld from the final paycheck. Prior to receiving the final paycheck the employee needs to turn in any Company issued equipment or it will be deducted from the final paycheck to the extent permitted by applicable state law.

### **PERSONAL INFORMATION**

It is important for the Company to maintain up-to-date records. Anytime you change your home address or telephone number, please notify Human Resources immediately. Also, if there is any change that would affect your payroll deductions, such as a change of name, number of dependents, etc., let your Supervisor know immediately. Please verify the accuracy of your social security number with every paycheck.

### **OVERTIME**

Overtime is defined as hours worked by non-exempt employees in excess of 40 hours per work week. The Company requires that employees must obtain approval of a Supervisor in writing prior to working overtime. Violations of such rule can subject the employee to discipline, up to and including termination. Overtime may be required when necessitated by business operations. If asked to work overtime, you will be expected to cooperate. Overtime will be paid to non-exempt employees at 1.5 times the employee's regular rate. Non-work time, such as vacation, sick leave, or holiday hours, are not included when calculating overtime.

### **MINIMUM WAGE REPORTING POLICY**

Our Company's success depends upon each employee. It is truly a team effort by all of us to do the work necessary to exceed our customers' expectations for the benefit of our Company and all employees.

Our Company philosophy is to make sure that all employees are compensated fairly, based upon their job duties and performance.

Because we treat all minimum wage issues very seriously, the Company requires that if you believe that you have not received the minimum wage, you must submit a written communication or email within one week to the Director of Human Resources.

If you have any information that another employee may not have received the minimum wage, you are required to submit that information in writing or by email within one week to the Director of Human Resources.

If any employee has not received the minimum wage, the Company will take prompt corrective action. We will not retaliate against anyone for reporting minimum wage questions or concerns. We encourage, indeed, we require, that employees communicate their concerns about minimum wage matters so that the Company may address such matters as quickly as possible and take early corrective action if it is discovered that anyone has not been paid correctly.

### **PAYROLL DEDUCTIONS**

Various payroll deductions are made each payday in order to fulfill federal and state government requirements. Deductions will be made for the following reasons:

1. Federal Income Tax (withholding tax);
2. State Income Tax;
3. Federal Insurance Contribution Act (social security);
4. Employees' Share of Group Insurance Premiums;
5. Any Court-ordered Deductions or Garnishments; and
6. Any Voluntary Deductions.

Your deductions will be itemized on your paycheck stub. You should review your paycheck stub carefully each payday. If at any time you have any questions about the amounts shown on your paycheck or how they are calculated, you should contact Human Resources. Employees are responsible to review their paychecks for accuracy and contact Human Resources no later than seven (7) days after receiving a paycheck.

Tax withholding is based on the number of dependents you claim on the W-4 form which you complete. Each employee is responsible for the accuracy of that form and for updating the information when necessary.

### **WAGE ATTACHMENTS/GARNISHMENTS**

Employees are encouraged to settle their financial affairs in such a manner that garnishments, tax levies, and wage assignments are avoided. Excessive garnishments, tax levies, and wage assignments may result in discipline, up to and including termination.

The Company will not assist any creditor, private party, or outside agency in the collection of any employee personal debt or other financial obligation, except that under certain legal procedures known as garnishments, tax levies, and wage assignments, the Company is required to take action. If your wages are attached, the Company is required by law to withhold from your earnings and pay a specified amount each pay period, subject to certain limitations, until the terms of the attachment are satisfied.

The priorities of garnishments and the maximum amount that may be garnished will be determined by state law. Additionally, the Company may deduct an administrative fee from the nonexempt earnings of the employee as provided by state law.

### **SOCIAL SECURITY**

Under the Federal Social Security Act, your yearly taxable earnings are reported to Social Security, and the Company is required to deduct a Social Security tax on your salary. This tax, along with an equal amount paid by the Company, is sent each payday to the federal government for credit to your account. When the worker becomes retired or disabled, the Act may provide a monthly income for workers and their families and provides for certain payments to survivors in case of death.

## **WORKERS' COMPENSATION POLICY**

If an occupational injury or disease causes you to lose time from your job, you generally will be eligible for compensation under Worker's Compensation Act. This insurance will provide for medical and hospital expense and partial salary compensation. There is no cost to the employee for this insurance.

Every injury at work must be reported to your Supervisor immediately so that your protection under this coverage is assured. If an employee is injured while participating in a fight or after instigating a fight or while impaired with drug(s) or alcohol, entitlement to workers' compensation may be denied.

Workers' compensation insurance reimburses the employee for medical expenses that results from an injury incurred at the employee's regular place of work or on Company business away from the regular place of work. Any accident on the job, no matter how small, should be reported promptly to your supervisor. If an employee is injured while on the job, the employee must notify his or her supervisor and must obtain medical treatment as soon as possible.

In addition, there is a death benefit that is paid when death results from a work-related injury. The full cost of this program is provided for each employee by the Company.

The attending physician will submit a report of industrial injury to the state workers compensation administrator. Additionally, the Company is also required to submit a report to our insurance company. Please, carefully read the following information. It is important that all employees understand the way the system operates.

### **A. Reporting Workplace Injuries.**

1. Seek medical treatment as soon as possible. If the Company designates a facility, you must seek treatment at the Company's designated facility, unless it is an emergency.
2. Notify your Supervisor of the accident and injury.
3. When at the doctor's office, complete your portion of the "Worker's and Physician's Report of Injury," or similar form accurately and clearly, then sign it.
4. Furnish your physician with the same information you gave the Company regarding circumstances of your accident or injury.
5. Keep the Company informed of your current mailing address and street address at all times. If you use a post office box number, inform the insurance company of your street address as well.
6. We will log the industrial injury report in our office on your personnel records. Some injuries may be logged, even though a physician's attention may not be required. We will be following each employee's safety record very closely. Any employee will be required to take a drug test if he has an industrial injury. While we realize we are all in a hazardous occupation and accidents do happen, the majority of accidents are due to carelessness or are drug/alcohol related. Safety is

of the utmost importance to us at the Company, and we expect each one of our employees to act accordingly.

7. You must cooperate with your physician's treatment plan, including keeping all doctors' appointments.
8. You must keep your immediate supervisor, the loss prevention department and/or the human resources department informed about all visits to the physician and the results of those visits. You are required to provide the Company with documentation of your visits to the physician within 24 hours after the visit.
9. All employees must cooperate with the Return to Work Guidelines below.
10. Do not treat this accident policy lightly. Violations can lead to discipline, up to and including termination.

**B. Return to Work Guidelines.**

To encourage the prompt and safe return of injured employees to some form of employment, the Company will make every effort to provide restricted duty work for employees on workers' compensation. The work provided will accommodate the employee's medical restrictions and physician's instructions, which may include work for less than forty (40) hours per week and/or a change in duties to less strenuous tasks. Restricted or light duty work may be paid at a different wage than your regular assignment. The Company realizes that not every injured employee will be a candidate for a restricted or light duty job, and each case will be individually analyzed.

1. You must inform the Company immediately when you are released to restricted or light duty work or when you are released to work with no restrictions. You must present the release to your supervisor or the human resources department.
2. If the Company has restricted or light duty work available that accommodates your medical restrictions and physician's instructions, you will be notified of the following:
  - a. A description of the work available;
  - b. The wages to be paid;
  - c. The date and time you must report to work;
  - d. The number of hours you are to work per day and the number of days per week; and
  - e. Which supervisor you are to report to.
3. After you are released by your physician to do restricted or light duty work, you must contact the Company every work day to determine if restricted or light duty work is available for you to do. You may be required to perform duties outside your normally assigned duties.
4. Please remember that even though you are on workers' compensation, you still must follow Company policies and practices, including attendance and tardiness. Failure to call or show up may result in disciplinary action, up to and including termination.
5. If you are on workers' compensation restricted duty, you may not perform any tasks that do not comply with your physician's instructions or restrictions. You must not place yourself or your co-workers at risk by performing tasks that you have not yet been released to perform.

*If you refuse restricted or light duty work that accommodated your medical restrictions, including failing to call or come to work when restricted or light duty work is available, you may be denied compensation through workers' compensation insurance program.*

### **EMPLOYMENT OF MINORS**

The General Manager in each Store is responsible for monitoring the hours and meal periods/breaks of the minors working in their individual Stores and ensuring that all applicable state and federal laws are followed.

Minors will not be permitted to work unless they are legally able to do so under all applicable state and federal laws. The Company does not allow employment of minors under the age of sixteen (16) (eighteen (18) if alcohol sales are involved).



A minor may only be permitted to work in accordance with the terms, restrictions and limitations set forth in the work permit if one is required. In any case, where a difference exists between the standards set forth in the work permit and the rules established by federal and state laws, the strictest standard shall apply. Therefore, a minor may not be allowed to work in violation of any legal standard, whether the standard is incorporated in a work permit, a state or a federal law. If confronted with violations of the law, or if at any time you are asked to work outside of the parameters of their work permit, the employed Minor understands that they are required to immediately report such violations to the manager in charge, the next level of management or the Human Resources Director.

Failure to follow all company policies, practices and procedures as required may result in disciplinary action up to and including termination of employment.

# **COMMUNICATIONS**

## **COMPUTERS AND COMMUNICATION SYSTEMS**

The Company's computers, the network, computer applications, and phone systems are Company property, and their purpose is to facilitate Company business. The Company's computer system may not be used for any business other than the Company. The Company's communications systems may include computers, electronic mail, telephone systems, voicemail, pagers, or other electronic communication mediums.

### **A. PERSONAL USE OF COMPUTERS AND COMMUNICATIONS SYSTEMS.**

The Company's computers and communications systems are for business use only and are not be used to conduct personal business. The use of the Company's systems for personal communications is prohibited. Employees are also prohibited from the display or transmission of content that may reasonably be considered offensive or disruptive to any employee including, but not limited to religious or political causes, sexually explicit images or messages, racial or ethnic slurs or epithets, gender specific comments or any comment that would offend someone on the basis of his/her age, sexual orientation, national origin, disability or anything else which could be construed as harassing or disparaging of others. The sending of inappropriate images or offensive materials to fellow employees as well as disciplining employees via text or voicemail are all examples of inappropriate uses of electronic messaging and are strictly prohibited.

### **B. ACCESS TO COMPANY'S COMPUTERS AND COMMUNICATIONS SYSTEMS AND PASSWORD PROTECTION.**

Only Company personnel are permitted general access to the Company's computer network and its application, including electronic communications, as needed. If you have a specific need for a third party to use any Company computer on our premises, special arrangements must be made with your Supervisor.

If you have a password, you should not divulge your password to others. If you are a remote user, you should take care to safeguard your remote user access card and not divulge the Company's modem telephone numbers, IP addresses or any other form of connection to the Company's network system.

It is against Company policy for any employee to access e-mail or voicemail communications of others without a business purpose. Other than routine access for system maintenance and operational needs of the business, requests for access to, or disclosure of, the contents of such communications must be approved by your supervisor.

### **C. SOCIAL MEDIA.**

While the Company understands that some employees may maintain or create personal Web logs or "blogs," or social networking profiles on sites such as Facebook, Twitter, Google or Linked-in, employees are prohibited from doing so on the employee's working time or using the Company's equipment. In addition, personal blogs and statements made on social networking

sites such as Twitter or Facebook contain the views of the individual, not the Company, but readers of the comments may not understand that difference. If you choose to identify yourself as a Company employee in any way on a blog or social networking or similar site, you must include a clear statement that the views expressed on the blog do not necessarily reflect the views of the Company and you are not speaking on behalf of the Company.

Do not use social media or make comments that are harassing, demeaning, or create a hostile work environment for any employee, that disrupt the smooth and orderly flow of work, or harm the goodwill or reputation of the Company. Be respectful and professional to your fellow employees, supervisors, and managers. Do not make unlawful disparaging or defamatory remarks about the Company, our products or services, employees, vendors or competitors. In addition, you must not use the Company's logo or trademarks on any blog or post any copyrighted materials on any blog or social networking or similar site.

**D. CONFIDENTIAL, PROPRIETARY, SENSITIVE AND/OR TRADE SECRET COMPANY INFORMATION.**

You should take great care in sending any electronic communications to ensure that you do not improperly reveal confidential, proprietary, sensitive and/or trade secret Company information. This includes when you are posting to your own personal Web log or blog. Use caution in addressing messages to make sure that communications are not inadvertently made to unintended recipients. Should mistakes occur, as with any other similar situation, promptly act to address the problem, including immediately consulting with supervisors as appropriate.

**E. GENERAL GUIDELINES FOR USE OF COMPUTERS AND COMMUNICATIONS SYSTEMS.**

Please exercise caution in uploading and downloading information on the network to prevent virus infiltration.

Electronic communications, including e-mail or instant messaging, allow Company personnel to communicate among themselves, with clients, and other third parties. Even more than with other modes of communication, such communication options, which permit users to send a message instantaneously to a large number of recipients or groups, can create significant problems if users fail to observe proper precautions and to use good judgment.

E-mail messages may result in a permanent record of your communication. In addition, voicemail can also be saved or forwarded. It is critical to keep the potential permanency of an e-mail or voicemail message in mind in considering its content and tone. In composing an e-mail, instant message, or voicemail message, do not let the opportunity for an instantaneous comment or response cloud your judgment in a situation in which you may later regret what you wrote or said. Attempts at humor can be misinterpreted, and messages intended for one recipient may be forwarded to others who may not understand the context of the message.

**F. PROHIBITED USES OF COMPUTERS AND COMMUNICATIONS SYSTEMS.**

Under no circumstances should the Company's electronic communication or your own personal blog be used for sending, accessing, posting, receiving, or storing any material of an insensitive, discriminatory or harassing nature, or that is of a threatening, obscene or defamatory nature, for chain letters, or for any other purpose that is illegal, against the Company's policy or contrary to the Company's interests. The Company's electronic communication system should not be used to send, receive or post messages related to any business other than the Company or to transmit copies of documents in violation of copyright laws. Any misuse of electronic communications should be reported promptly to your Supervisor.

**G. COMPANY MONITORING OF COMPUTERS AND COMMUNICATIONS SYSTEMS.**

The Company's computer network and telephone systems are provided to conduct the Company's business and for the benefit of our customers. The Company does not, as a matter of routine, review or monitor e-mail messages, telephone information or computer-generated documents, business or non-business. However, all such information, including e-mail, instant messages, postings, internet access, downloads or voice messages may be accessed to protect the Company's legitimate business interests.

The Company has the right to inspect, review, and monitor use of its computers, the network, electronic mail, telephone systems, and any other aspect of its electronic systems and may do so in the discretion of management for a variety of reasons. Those reasons can include, by way of example only, a Company need for information when an employee who generally has access is unavailable; a need to locate substantive information that is not more readily available by some other less intrusive means; legitimate customer request for information; auditor request; security or access reviews or audits; request for law enforcement purposes; potential or actual litigation; concern that Company property is being used in an unauthorized manner; and other business needs.

In this regard, it is important to understand that incidental and occasional personal use of the Company's computer network, including e-mail and voicemail, to send, receive, and store information is permitted, but that such information is not treated differently from other information. Thus, if the Company searches or discloses information stored on its computer or telephone system, personal information may be included. Stated differently, employees should be aware that they cannot expect use of the Company's computer network or telephone system to be private. Use of the computer network constitutes employee consent to the Company's right to access and review any information stored on its computers or telephone systems for business-related purposes.

Please also note that the Company may monitor usage patterns for all communications (voice and data), which include access, call length, and time of call, for purposes of cost analysis, business planning, or compliance with Company policy.

## **H. POSSIBLE DISCIPLINARY ACTION FOR VIOLATION OF POLICY.**

As with all other policies in this Handbook, violation of these policies may result in discipline, up to and including termination. The Company further reserves the right to request an employee refrain from commenting on topics related to the Company (or, if necessary, suspend any personal blog altogether), if advisable to comply with any federal, state or local laws. Should you have any questions about these policies and how it may apply to your conduct, please contact your supervisor, Payroll or any Company Officer.

### **SOFTWARE CODE OF ETHICS**

Unauthorized duplication of copyrighted computer software violates the law and is contrary to the Company's standards of conduct. The Company disapproves of such copying and recognize the following principles as a basis for preventing its occurrences:

1. The Company will neither engage in nor tolerate the making or using of unauthorized software copies under any circumstances.
2. The Company will provide legally acquired software to meet the legitimate software needs in a timely fashion and in sufficient quantities for all of the Company's computers.
3. The Company will comply with all license or purchase terms regulating the use of any software the Company acquires or uses.
4. The Company will enforce strong internal controls to prevent the making or using of unauthorized software copies, including effective measures to verify compliance with these standards and appropriate disciplinary measures for violation of these standards.

### **TAPING/EAVESDROPPING ON CONVERSATIONS AND MONITORING**

It is the policy of the Company to encourage open communications among our employees and between employees and management. To facilitate such open communications, and to prevent the chilling effect that may occur if employees are permitted to tape or secretly record or surreptitiously listen in on any conversation or communication, and to ensure compliance with applicable federal, state, and local wiretapping, eavesdropping, and privacy laws, the Company has instituted the following policy:

Without the prior written authorization of the Company's General Manager, no employee may openly or secretly tape or otherwise surreptitiously record, or videotape, any conversation, communication, activity, or event. This prohibition applies to any conversation, communication, activity, or event which in any way involves the Company or employees of the Company or any of our subsidiaries or affiliate companies, or any customers or clients, or any other individual with whom the Company is doing business or intending to do business in any capacity (for example, vendors, suppliers, consultants, attorneys, independent contractors). This policy also applies to conversations and communications with any other third parties unrelated to the Company including, but not limited to, outside legal counsel, auditors and regulatory officials.

“Taping” and “Recording” under this policy includes the taping or recording of any conversation or communication, regardless of whether the conversation or communication is taking place in person, over the telephone, or via any other communications device or equipment, and regardless of the method used to tape or record (e.g., as with a tape recorder, video recorder, mechanical recording, or wiretapping equipment), and regardless of where the conversation or communication takes place, i.e. whether on or off the Company’s premises.

“Taping” and “Recording” as used in this policy does not include any lawful taping and recording engaged in by an employee on the employee’s own time, with the employee’s own equipment, away from the Company’s place of business, and which does not involve in any manner whatsoever, directly or indirectly, the business or activities of the Company, or any of its employees.

No employee may eavesdrop on the conversations or communications of other employees or non-employees in accordance with the same standards set forth above.

From time to time the Company may tape, record, videotape, or otherwise monitor conversations or other communications between employees and/or between employees and non-employees for legitimate business purposes, such as customer service training, to protect the integrity of certain business transactions (for example, sale orders taken over the telephone). Generally, employees will be notified that such taping or recording may occur, in accordance with applicable laws and sound employee relations principles. Under certain circumstances, however, notice may not be given, such as where the Company is conducting an investigation into allegedly unlawful or unethical activities, in conjunction with regulatory or other enforcement authorities.

Violations of this policy may result in disciplinary action against the offending employee(s), up to and including termination of employment. Where the conduct engaged in is illegal, violators may also be subject to prosecution under applicable federal, state, or local laws.

If any employee has any questions or concerns regarding whether any contemplated taping or recording would violate this policy, he or she should discuss the matter with the General Manager before engaging in any such activities.

### **SOLICITATION AND DISTRIBUTION**

Because distraction on the job leads to unsafe working conditions, poor work performance, and inefficiency, and in order to avoid disruption of Company operations, we have established the following rules:

1. During your working time, you may not engage in solicitation of other employees or distribution of literature for any purpose.
2. During another employee’s working time, you may not solicit the other employee for any purpose.
3. Distribution of literature of any kind may not be made in the work areas of the premises at any time.

4. Persons not employed by the Company are not permitted to solicit or distribute literature on Company premises at any time for any purpose.

“Working time” includes the periods of the workday when the employee is engaged in or required to be engaged in performing his/her work tasks. Working time does not include break periods, meal periods, or other specified periods during the workday when employees are not engaged in performing their work tasks.

### **POSTERS AND BULLETIN BOARDS**

Official items posted on the premises of the Company are not to be tampered with in any way. Approval of management must be granted before any personal, political, commercial, or promotional notice or material is posted on the premises or on Company-owned vehicles.

### **PERSONAL MAIL**

Personal mail for employees directed to the Company can cause problems. We ask everyone to have their personal mail directed to their homes. All mail with our business address is considered to be the property of the Company and may be opened.

### **PERSONAL TELEPHONE CALLS**

Company telephones are intended for business use only. Employees are asked to not make or receive personal telephone calls or messages on our Company telephones except in an emergency. Your cooperation in keeping our lines open for business use will be appreciated. Personal cell phone use is restricted to breaks and meal times only with the exception of an emergency or Company business. Speaking on the phone in front of guests is considered rude and is not allowed. The guest should come first.

### **BUSINESS TELEPHONE CALLS**

On occasion the telephone may ring while you are taking care of one of our guests. Always remember that our guests come first. Do not answer the telephone instead of serving our guests. The telephone should only be answered once all of our guests have been taken care of.

Speaking on the phone in front of guests is considered rude. The guest always comes first.

Answer phones with a polite greeting. It is considered professional and polite to answer the phone as follows: “Hello, (Company and Store number), (your first name) speaking, How may I help you? Don’t answer the phone simply with a, “Hello.” It is always best to give your name so the caller knows who they are speaking to.

It is considered a professional courtesy to respond to phone calls within 24 hours. If it will take longer for you to process the request or take further action... at least respond back to the caller to acknowledge the call. Let the other person know how much more time you need to complete the request or take action, or when you will get back with them again.

## **RADIOS**

Employees are not permitted to have radios, ipods, mp3 players, CD players, cassette players, or other musical players are not permitted in the Store at any time.

## **PERSONAL MOBILE PHONES AND PAGERS**

All salaried exempt management employees are required to have a mobile phone with them at all times. These employees must use a reliable provider for their mobile phones and the phones must be text capable, and capable of running email, including gmail and google. If your position requires a mobile phone, you will be notified and will qualify for a mobile phone allowance. The Company has the right to retrieve and review all messages sent or received on this phone relating to company business or made or received during working time. Employees should not use the phones they are required to have for work, for any inappropriate or illegal purpose.

Unless required by your position, personal mobile phones and pagers are not permitted in the Store at any time unless the employee is off duty and out of uniform, except in the case of an emergency.

The Company is committed to promoting driving safety. Cellular telephones and other personal electronic devices should be used with care by employees while driving. When making or receiving a call, text, etc. on a cellular phone or other device, employees should consider all of the surrounding circumstances and choose the safest approach. The Company prohibits dialing, emailing, reading, and texting on a cellular and/or mobile phone while driving a vehicle. The Company permits cellular and or mobile phone use while driving a vehicle only when using a hands-free device. If a hands-free device is not available and a phone call needs to be made or answered pull over into a safe parking space, place your car in park, and then place or return the call. Without a hands-free device, allow any incoming phone calls to go to voice mail until you are safely parked and able to return the call. Failure to comply with this policy is the sole responsibility of the driver. All drivers must comply with all state laws regarding the use of cellular and or mobile phones while driving, which may be stricter than those contained in this handbook. Employees who fail to follow these policies will be subject to disciplinary action, up to and including termination.

## **PERSONAL LAPTOP COMPUTERS**

Salaried exempt management employees may be required to have a laptop computer available for business. If your position requires a laptop computer, you will be notified and you may be eligible for a stipend or allowance to offset the cost of the laptop computer purchase and maintenance. The amount of the allowance will be determined by the Company.



# **ACCIDENTS, EQUIPMENT, AND TRANSPORTATION**

## **VEHICLE AND VEHICLE INSURANCE**

All Full Time Management Employees, as well as those in management training, are required to have reliable transportation and must be able to provide proof of insurance. Reliable transportation is required to perform the job responsibilities of the Shift Manager and above. All drivers are required to have a valid driver's license, insurance and to maintain proof of insurance in their vehicles at all times.

Safety takes precedence over expediency and short cuts. Safety is the first priority. All drivers must supply an MVR regularly and must report any and all accidents immediately to Loss Prevention. All drivers must comply with all federal, state, and local regulations.

## **VEHICLE SAFETY AND TRAFFIC LAWS**

While traveling on Company business or in a Company-owned vehicle, all safety and traffic laws are to be strictly observed. Seat belts must be worn. All fines or violations will be paid by the employee incurring them. All accidents must be reported to law enforcement officials and all necessary accident forms must be completed by the employee involved.

## **ACCIDENTS**

Should any accident occur during your working hours involving damage to a Company vehicle, or damage to Company property, etc., it must be reported immediately to your supervisor. If you are away from the Company facility and an accident occurs, call your supervisor, and report it immediately. Call collect if necessary. At the Company's discretion, any accident resulting from employee negligence will result in the employee paying the lesser of the following amounts:

1. Company's insurance deductible; or
2. Company's cost to repair the damage.

## **INJURIES ON THE JOB**

Regardless of the nature or severity of the injury, all injuries must be reported immediately to either your supervisor, shift leader, or management. Any employee who fails to report an injury during the shift that the injury occurred will be subject to disciplinary action.

## **CARE OF COMPANY EQUIPMENT**

The Company provides certain equipment for employees to use. Employees are expected to use proper care when using the Company's property and equipment. No property may be removed from the premises without the proper authorization of the Chief Operations Officer. If you lose, break or damage any property, report it to your supervisor at once. If an item is lost or damaged because of negligence, the responsible employee may bear the burden of the replacement cost of the item, at the discretion of the Company and to the extent permitted by state law.

In the event of damage to a piece of equipment, tool, etc., it must be reported immediately to supervisor so that it can be repaired. Failure to do so does not relieve the employee of the responsibility for the items. If the equipment is stolen while in the employee's possession, the employee must pay for the deductible and/or replacement value to the extent permitted by state law. This will be determined by the General Manager.

### **SECURITY**

Every employee should contribute to the security of the Store and fellow employees by reporting any suspicious incidents or persons, by securing doors and windows before leaving for the day, and by safeguarding personal property.

# **HEALTH AND SAFETY**

## **HEALTH AND SAFETY ARE EVERYONE'S RESPONSIBILITY**

Safety can only be achieved through teamwork. Each employee must practice safety awareness by thinking defensively, anticipating unsafe situations and reporting unsafe conditions immediately. All employees are required to comply with the Company's safety policies and procedures and should be familiar with the Company's written fall protection plan and other written safety materials. Any violations of safety policies, practices or procedures can lead to discipline, up to and including termination.

Employees must observe the following precautions:

1. Notify your supervisor of any emergency situation. If you are injured or become sick at work, you must inform your supervisor immediately.
2. Use, adjust and repair machines and equipment only if you are trained and qualified to do so and have the consent of your supervisor.
3. Get help when lifting or pushing heavy objects.
4. Understand your job fully and follow instructions. If you are not sure of the safe procedure, don't guess--ASK your supervisor.
5. Know the locations, contents and use of first aid and firefighting equipment.
6. Wet Floor Signs MUST be placed at ALL entry points of ANY wet areas.

The Company regularly communicates with employees in different ways about workplace safety and health issues. These communications may include but are not limited to, supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Employees and supervisors receive workplace safety training. The training addresses possible safety and health hazards, as well as identifying safe work practices and procedures to eliminate or reduce hazards. Some of the best safety improvement ideas come from employees. If you have an idea, concern, or suggestion on how to improve safety in the workplace, tell your supervisor, General Manager, or the Company's Executive Office. Please report any concerns about workplace safety anonymously and without fear of reprisal to the Executive Office or your supervisor.

Our goal is to achieve and maintain safe and healthful working conditions. We expect and appreciate your cooperation in helping us to achieve this goal.

The Company intends to provide a safe work environment for employees. Accidents result in the unnecessary loss of health, time, productivity, equipment, and materials. In most cases, accidents can be prevented. Become aware of hazards that could lead to injury. Think about your safety and well-being at all times, and also think about your coworkers' safety and well-being. Safety is everyone's responsibility. Employees are required to become familiar with and understand the Company's safety manual and comply with the Company's policies, practices, and procedures. Employees are required to abide by Company and OSHA safety rules and procedures and are subject to discipline, up to and including termination, for violating safety

rules. Employees are required to immediately report any unsafe condition or action to a Supervisor, Human Resources or the General Manager

No matter how safe your working area may be, carelessness or “horseplay” on your part can make you or your coworker a casualty. You should use common sense and know and follow all safety and fire regulations, which will protect you and your fellow employees from inconvenience or serious injury. Employees are responsible for following all safety rules and for using safety equipment furnished by the Company. Your suggestions for safety, as well as suggestions for the improvement of any other phase of our operation, are encouraged at all times.

A violation of a safety precaution is in itself an unsafe act. A violation may lead to disciplinary action, up to and including termination

### **FOOD HANDLER CARD**

If required by the Health Department, Food Handler’s Permits must be kept on the employee at all times as if it were their uniform.

### **DONATIONS**

Never donate any food products. All food donations must be approved by the QA Department of the Franchisor.

### **EMPLOYEE HYGIENE POLICY**

Good hygiene is essential in our industry. All employees are required to abide by the following practices to ensure safety and health.

1. Employees must wash and sanitize hands:
  - a. Before any food preparation or interruption from their work assignment.
  - b. Before reporting to their work station.
  - c. When tasks require clean up.
  - d. After breaks and meals.
  - e. When assigned to prepare raw products.
2. Ensure all hand sinks are kept fully stocked with:
  - a. Antibacterial soap
  - b. Paper towels (if applicable or working hand dryers)
  - c. Hand sanitizer
  - d. a supply of warm water
  - e. Required hand washing signs
3. Sanitizing Utensils and Food Contact Surfaces will kill bacteria and viruses. As always, it is important to make sure that utensils and surfaces are being properly sanitized to prevent cross contamination. Make sure your sanitizer dispenser is working properly. Replenish Sanitizer buckets every 2 hours or as often as needed to keep sanitizer at least 200 ppm.
4. Make sure food contact surfaces are cleaned and sanitized at least every 4 hours.

5. Regularly wipe down surfaces such as refrigerator handles, fryer handles, countertops and other surfaces employees touch.

### **HAZARDOUS AND TOXIC MATERIALS**

If your assignment involves the use of hazardous or toxic materials, you must comply with all laws, rules and regulations concerning their safe handling and disposal as published by the Company and governmental agencies having jurisdiction over such matters. Consult your Supervisor or read the SDS sheets for further information regarding chemicals and/or exposure to such materials. Make sure that all containers that have chemicals in them are labeled.

If your job post does not have the Safety Data Sheets (SDS) for all of the chemicals you are required to work with, or if you do not understand your SDS's, you should notify MIH management immediately.

### **GOOD HOUSEKEEPING**

Good work habits and a neat workplace are essential to job safety and efficiency. By practicing good housekeeping we are all also contributing to our safety program. Good housekeeping is the constant responsibility of each employee for his or her own work area and each must also assist the Company to maintain the condition of the entire Store.

The general appearance of the Company results from a teamwork effort. Your participation is expected! It is your responsibility to keep your work area neat, clean, and organized. Doing so increases your ability to give quality performance in your work, and is important to general health and safety and to our image with the public. In addition to maintaining your work area, please clean up after meals and assist in maintaining cleanliness in restrooms and other public areas. Keep equipment in its proper place, place refuse in containers, and observe simple rules of tidiness. Report anything that needs repair or replacement to your supervisor.

### **EMPLOYEE ILLNESS REPORTING AND EXCLUSION POLICY**

Employees who come to work when they are obviously sick (vomiting, diarrhea, or jaundice) or have a confirmed reportable illness can easily contaminate food or surfaces. THEY MUST BE SENT HOME. They can also transmit their illness to other employees or customers. This can lead to a foodborne illness outbreaks. Therefore, to prevent the transmission of foodborne illness and to ensure compliance with employee exclusion and reportable illness laws, the Company has developed this Illness Reporting and Exclusion Policy.

This policy applies to all employees who work with food or come in direct contact with food, are responsible for cleaning restaurant equipment, handling and cleaning serving utensils, and/or handling single-service food packaging. All employees should be familiar with and understand this policy before they being work in any Store.

Employees are responsible to timely report any symptoms to their supervisor. Employees must report the following symptoms, conditions, illness, or high risk conditions to their supervisor.

## SYMPTOMS AND CONDITIONS (caused by infection)

- 1) Abdominal Cramps
- 2) Prolonged loss of appetite (more than 3 days)
- 3) Diarrhea
- 4) Fever
- 5) Vomiting
- 6) Yellow skin or eyes (jaundice)
- 7) Sore throat with fever
- 8) Skin sores on the hand, wrist, or an exposed body part (such as boils and infected wounds, however small) which cannot be bandaged and protected
- 9) Acute respiratory infection (cough or runny nose)

## MEDICALLY DIAGNOSED ILLNESSES

- 1) Norovirus
- 2) Hepatitis A (or jaundiced (yellow skin or eyes) even if diagnosis has not yet been confirmed)
- 3) Typhoid Fever (*Salmonella typhi*) or previous diagnosis (within the last 3 months) without medical treatment (antibiotic therapy)
- 4) Salmonellosis (*Salmonella* spp.)
- 5) *E. coli* O157:H7 (or other Shiga toxin-producing *Escherichia coli*/STEC infection)
- 6) Shigellosis (*Shigella* spp.)
- 7) Any communicable disease which is transmissible through food or is by law reportable (ex. Tuberculosis)

## HIGH RISK CONDITIONS

- 1) Exposure to or suspicion of causing any confirmed disease outbreak due to consuming or preparing food implicated in the outbreak or consuming food at an event prepared by a person who is infected or ill with typhoid fever, shigellosis, *E. coli* O157:H7 infection, or hepatitis A.
- 2) Diagnosis of typhoid fever within the last 3 months without receiving treatment by a licensed health care provider (antibiotic therapy).
- 3) A household member diagnosed with typhoid fever, shigellosis, *E. coli* O157:H7 infection, or hepatitis A.
- 4) A household member attending or working in a setting experiencing a confirmed outbreak of typhoid fever, shigellosis, *E. coli* O157:H7 infection, or hepatitis A.

***If an employee reports any of these symptoms or conditions they should be sent home immediately and excluded from work.*** In most cases, employees reporting symptoms on the first list above may return to work after they have been asymptomatic for at least 24 hours or they provide you with documentation from a licensed health practitioner stating they are no longer infectious. Note: Employees experiencing jaundice (yellow skin or eyes) cannot return to work until they are released by the Health Department, as discussed below. .

Certain illnesses are required by law to be reported to the Health Department and are grounds for possible restaurant closure. If the employee is jaundiced or has been diagnosed with one of the illnesses listed in the Medically Diagnosed Illnesses above, contact your management team and QA immediately and follow their directions. QA can assist with Health Department notification. If the employee is still present in the restaurant, send them home immediately. The employee will not be allowed to return to work until they have a physician's release to work with food and have also been released by the Health Department.

In some cases, a supervisor may be informed of a confirmed employee illness by a Health Department Official. If a supervisor is informed that your employee has a confirmed reportable illness the following must be done:

1. If the employee is still present in the restaurant, send them home immediately. Make sure you obtain the following from the Health Department
  - a. The name and telephone number of the health official with whom you spoke
  - b. The exact name of the disease. Ask them to spell it to you if necessary.
  - c. The date they believe the employee was exposed and or became contagious.
  - d. Any other important information like how the employee was exposed, their current status etc

**NOTE: Personal medical information is confidential and cannot be shared with other crew members.**

2. Contact the QA Department immediately with this information! Follow their directions.
3. Survey the rest of the crew for any other sick employees. Send any employees home which display any symptoms noted by the Health Department
4. Gather documentation for review by the Health Department and the QA Department. This would include:
  - a. Employee roster and work time records. The Health Department may need to figure out who was exposed and who was doing what duties.
  - b. Daily Temperature Tracking Forms (DTTF) and/or recent QA audit / health department inspection reports. These documents can help verify that hand sinks were stocked and supplied with hot water or show overall compliance with food safety requirements. Since hand washing

is the most important way to prevent the spread of disease, both the Health Department and the QA Department will need to see them.

5. Stay calm. Do not argue if the Health Department orders you to close. Contact your Management Team immediately. Possible disease transmission is an extremely delicate situation and you are not a medically trained professional. If all the Company's QA food safety procedures were being followed, you have very little to worry about. Expect a health inspector and/or other public health official to visit your restaurant. They will be trying to determine the risk to the public (risk assessment) so they will know whether a public notice is required. In some jurisdictions, just the presence of a confirmed case is grounds for a public notice. However, if your restaurant checks out well during the inspection, this will be reflected in their report.
6. If you were closed by the Health Department, obtain written permission to reopen. Also, obtain a written clearance from a licensed physician before allowing any ill employee to return to work. All documentation must be immediately forwarded to the QA Department.

The above noted situations are the more common situations faced by restaurants. It is not an inclusive list of all possible scenarios. If you are faced with a situation you are not sure what to do, contact the QA Department immediately.

Note: if an employee is obviously sick or has a confirmed reportable disease, do not allow them to work. They cannot work in the restaurant until they are healthy.

#### Important Points:

1. Stress the importance of good personal hygiene in every aspect of your restaurant's operation.
2. NEVER be afraid to send employees home if they claim they are ill or show symptoms of illness.
3. NEVER allow employees with skin infections or open wounds to handle food, unless they are wearing gloves.
4. NEVER admit liability when handling guest illnesses.
5. NEVER say this type of injury, accident or illness has occurred before.
6. NEVER tell the guest that the company will take care of medical expenses.



## **COMPANY BENEFITS**

### **BENEFITS**

The Company offers competitive benefits for qualifying individuals. If benefits are applicable, please refer to the Summary Plan Descriptions for details. The Company reserves in its sole discretion the right to change, modify, cancel, alter or delete any program or benefit at any time, with or without notice. Please see your supervisor or Human Resources for questions. Employees may have to pay part or all of the cost of some benefits offered by the Company.

### **EMPLOYEE CLASSIFICATIONS**

FULL-TIME EMPLOYEES regularly work 38 hours or more each week and are eligible for our fringe benefits package in accordance with their position and length of employment.

PART-TIME EMPLOYEES regularly work less than 38 hours each week and are eligible for statutory benefits only. Statutory benefits are those mandated by federal, state or local law.

HOURLY EMPLOYEES are non-exempt employees who receive a specified hourly rate of pay and who are covered by the overtime provisions of the Federal Fair Labor Standards Act and applicable state laws. Employees in this classification must keep time records and are entitled to premium pay for work in excess of 40 hours in a workweek under Federal Law. They may also be entitled to other types of premium pay depending on the state in which they are employed. In the Stores, this classification includes Crew Persons, Shift Managers, and Assistant Managers.

SALARIED EXEMPT MANAGEMENT EMPLOYEES are employees who receive a set monthly rate of pay and do not qualify for overtime pay under the Fair Labor Standards Act. These employees' hours may vary depending on the number of hours required to complete the job. This classification includes General Managers, RVP's, VP's and most Office Personnel.

At the time of hire, hourly employees are generally considered VARIABLE HOUR EMPLOYEES as defined by the Patient Protection and Affordable Care Act. Because of the nature of the business, it is generally not possible to know how many hours an employee will be scheduled to work. Schedules for hourly employees may vary from 0 to 40 hours per week or more, depending on business necessity. It is common for an employee to be scheduled for less than 30 hours per week on a regular basis. Because at the time of hire it is not possible to determine if the employee will work more than 30 hours per week, most hourly employees will be considered VARIABLE HOUR EMPLOYEES at the time of hire. If the Company hires an employee for a position that it knows will be more than 30 hours per week, the individual will be considered full-time for purposes of the Patient Protection and Affordable Care Act only. If an employee transfer into a position in which they regularly work more than 30 hours per week, the employee will be considered full-time for purposes of the Patient Protection and Affordable Care Act only. Pursuant to the PPACA, the Company will review the variable hour classification on an annual basis when applicable.

## **HOLIDAYS**

The Company generally observes three holidays during the year: Thanksgiving Day, Christmas Day & Easter Day.

If an hourly employee works on a designated holiday, the employee will be paid for the time worked at 1.5 times their regular hourly rate. Hourly employees who do not work on a designated holiday will not be paid for the day.

Full-time salaried exempt employees are eligible to receive holiday pay at the discretion of the Company. There may be times when a full-time salaried exempt employee is required to work on a designated holiday. If this is required, the employee may schedule an alternate day of in lieu of the holiday, subject to a supervisor's approval.

## **INSURANCE BENEFITS**

For 2014, the Company will offer medical insurance benefits to Full-Time Salaried Exempt Management Employees only.

The Company offers certain medical and other insurance to Full-Time Salaried Exempt Management Employees. Employees are responsible for understanding if they are eligible and contacting the Company's Human Resources Department to verify eligibility and request a Health Insurance Packet. Eligible employees must complete the required paperwork within fifteen days after the date of hire to complete and return the appropriate paperwork to the Human Resources Department in order to be eligible for coverage. If an eligible employee does not complete the required paperwork within fifteen days, they understand that they will not be eligible to enroll until the Company's next open enrollment period. If an eligible employee waives coverage, they will not be eligible for insurance until the Company's next open enrollment period. For more information, please refer to the Summary Plan Descriptions or contact Human Resources.

## **PAID TIME OFF**

Only Salaried Exempt Management Employees are eligible for Paid Time Off ("PTO") Paid Time Off begins to accrue on January 1 each year and must be used by December 31 of each year. Unused PTO will not roll over to the next calendar year. PTO can be used for vacation, illness, medical appointments, school activities, or any other needs that require time off from work.

Salaried Exempt Management Employees will be provided with 13 working days of PTO annually on a prorated basis. PTO is awarded on a weekly basis at the rate of 0.25 days per week. An eligible employee who is hired mid-year will be granted PTO based on the date of hire.

Employees must schedule PTO time in advance by completing a Time Off Request Form and submitting it to their supervisor for approval. When possible, PTO periods will be assigned in accordance with employee's requests, taking operational requirements into account. The supervisor will make time available for employees to take PTO within the calendar year if their

requested time is not available. The Company reserves the right to deny PTO Requests for more than 5 consecutive or PTO Requests for more than 5 days in one 28 day period.

Holidays that fall within an employee's scheduled PTO period will be charged against PTO time.

PTO time generally must be taken in whole day increments, with the exception of intermittent FMLA leave.

If employees are unable to use their PTO within the calendar year due to business needs, employees will be paid for the accrued but unused PTO after December 31 of each year. Employees will be paid for unused PTO upon separation of employment.

### **VOTING**

The Company believes that each employee should have the opportunity to exercise his or her right to vote in a state, primary, general, or special election. The Company will provide up to three (3) hours unpaid time off for voting if the employee does not have three continuous hours off work while the polls are open. More time may be provided if required by state law (contact Human Resources for more information on state laws).

Employee's should provide two days' advance notice prior to the election day if they need time off to vote.

### **JURY DUTY**

The Company believes that jury duty constitutes a civic responsibility. While we cannot pay hourly or non-exempt employees for the time they spend on jury duty, the Company will keep your job open until this duty is fulfilled. Employees who are summoned for jury duty are expected to return to their job if they are excused from jury duty during regular working hours.

The Company complies with all applicable federal or state laws regarding employee's service as jurors. Employees must show the jury duty summons to their supervisor as soon as possible to allow the supervisor to accommodate their absence from the workplace.

### **SCHOOL ACTIVITY LEAVE**

Employees with minor children will be permitted a reasonable amount of leave, not to exceed 40 hours per year, without pay to attend school conferences or classroom activities relating to their children if they are not able to schedule the activity outside of work hours. The amount of leave will be determined by the General Manager in compliance with any applicable state laws.

### **CRIME VICTIM LEAVE OF ABSENCE**

The Company will grant leaves of absence to employees as required by law for victims of crime if the leave does not create an undue hardship on the Company's business. An employee is eligible for victim leave and the job protection afforded under the law if he or she is a "victim"

of a crime. The term “victim” includes the immediate family or a lawful representative of a person who has been killed or incapacitated.

Employees covered by the law are entitled to attend all court proceedings involving the perpetrators of their crimes, including any trials, and preliminary and post-trial hearings. The Company will provide the employee time off to attend these proceedings but the employee must use any accrued paid vacation, personal, or sick leave during the employee’s leave of absence. The employee’s leave bank will be deducted for the time that you are absent from work. Once your accrued leave has been used, any further leave will be unpaid.

Prior to taking victim leave, the employee must furnish the Company with the following information.

1. A copy of the notice received from law enforcement or the prosecutor regarding your status as a crime victim and your rights.
2. If applicable, a copy of the notice of each scheduled proceeding.

Under the law, the prosecutor or law enforcement officer is responsible for providing you information regarding your rights under the law, and your responsibility is to provide the Company with a copy of the notice. Records regarding any victim leave will be kept confidential by the Company.

### **PERSONAL DISCRETIONARY LEAVE OF ABSENCE**

The Company, in its sole discretion, reserves the right to grant an unpaid personal discretionary leave of absence. An employee who wishes to take an unpaid personal discretionary leave of absence must submit the request in writing to their supervisor at least two weeks in advance of the leave. Granting a personal discretionary unpaid leave of absence is discretionary with the Company.

Failure to return to work upon expiration of leave of any absence shall be considered a resignation.

### **MILITARY LEAVE OF ABSENCE**

The Company will grant military leaves of absence as required by law. Employees may take an unpaid leave of absence to perform military training and/or service, whether the service is voluntary or involuntary, as part of the active and reserve components of the Armed Forces, the Army and Air National Guard, the Commissioned Corps of the Public Health Service, and any other category of persons so designated by the Company Officers in time of war or emergency. The duration of other military leave will be the term of the enlistment, plus any additional time that may be required by the government. The Company generally will provide a reasonable allowance of time for travel and adjustment before the employee returns to work. A member of the U.S. Armed Services or National Guard will be granted a two (2) week unpaid leave of absence once a year when called for active duty training.

In order to be eligible for any reinstatement rights under federal law, any employee taking leave from work to serve in the military, including the National Guard, must: (1) provide

the Company with as much advance notice of their service as possible; (2) ensure that the cumulative length of the service does not exceed five years; (3) have been honorably discharged; and (4) report to or submit an application for re-employment, as required by federal law upon return from service.

#### **A. NOTICE**

You must provide notice (unless impossible, unreasonable, or precluded by military necessity) to the Company of leaves of absence for military service. Notice may be oral or written. Failure to provide notice to the Company may result in a denial of protection under this policy or federal law.

When a military leave of absence extends for more than 30 days, the Company may request official written military orders to establish your eligibility for leave and the related protections under federal law.

#### **B. FIVE-YEAR CUMULATIVE SERVICE LIMIT**

Regardless of whether your military duty is voluntary or involuntary, federal law places a five-year cumulative service limit on the amount of military leave you can use and still retain re-employment rights. Exemptions from the five-year re-employment limit include: required active duty during a domestic emergency, national security related situations, critical or operational missions, and war. If you have received more than five years of military leave and request re-employment with the Company, the Company may verify the your eligibility for re-employment.

#### **C. ACCRUED LEAVE**

You may elect to use any personal vacation, annual leave, or other similar accrued pay for a period of military service. The Company does not require you to use these accrued benefits.

#### **D. RE-EMPLOYMENT AFTER MILITARY LEAVE OF ABSENCE**

##### **1. Procedure.**

For periods of military service lasting 1 to 30 days, you must report back to work for the next regularly scheduled shift on the day following release from the military, allowing for safe travel home and eight hours of rest.

For periods of military service lasting 31 to 180 days, you must apply for re-employment within 14 days following release. Application may be written or oral.

For periods of military service lasting 181 days or more, you must apply for re-employment within 90 days following release. Application may be written or oral.

Immediate reinstatement is not mandated but the Company will promptly re-employ returning service members. Promptness is determined on a case-by-case basis depending on your particular circumstances. The Company may request documentation from the employee to establish that the application for reemployment is timely. Untimely applications may be denied.

2. Position.

The Company will re-employ a returning worker in a position they would have attained had it not been for the military service, at a level of seniority, status, pay, and any other rights and benefits commensurate with the seniority. If necessary, the Company will provide training or retraining to qualify the employee for re-employment. When an employee is disabled while on military duty, or if a disability is aggravated by military service, the Company will make reasonable efforts to accommodate the disability, as required by federal law.

3. Exceptions to re-employment.

The Company is not required to re-employ an employee if: (1) re-employment is impossible or unreasonable; (2) a disability incurred during the military leave would cause the employer undue hardship to accommodate; or (3) the employee worked in a temporary position before military service.

4. Limited protection from termination.

If an employee's period of military service was 181 days or more, the employee is protected from discharge, except for cause, for one year. If the employee served between 31 and 180 days, the employee is protected from discharge, except for cause, for 180 days.

This is an exception to the Company's specific at-will policy contained in this Handbook because the limited protection from termination is mandated by federal law.

Cause to terminate employment of an employee includes, but is not limited to, theft or embezzlement from Company or any affiliate; any willful breach of duty, habitual neglect of duty, or continued incapacity; engaging in activity or action that adversely reflects upon the Company; violation of any corporate policy, practice or procedure or employment policy or procedure or any written directives of the Company; fraud directed at Company, any affiliate or any individual or entity that provides goods or services to, receives goods or services from or otherwise deals with Company or any affiliate; or any material acts or events which inhibit the employee from fully performing employee's responsibilities to the Company in good faith or that reflect upon the Company's reputation, such as (A) an arrest for a felony charge or a felony criminal conviction; (B) any other criminal conviction involving the employee's lack of honesty or the employee's moral turpitude; (C) current drug or alcohol abuse; or (D) acts of dishonesty, gross carelessness or gross misconduct; or if application of the reinstatement requirements of federal law results in a legitimate layoff or in the elimination of the job position itself, provided the employee would have faced the same consequences had he or she remained continuously employed. Cause may also include layoffs for financial reasons.

**E. BENEFITS**

The Company will provide workers on military leave benefits equivalent to those offered during other types of leaves of absence, as determined by the Company's leave policies contained in this Handbook. This means that employees on military leave will remain eligible for any rights and benefits (not based on seniority) that are available to employees on non-military leaves of absence (whether paid or unpaid). An employee returning from military

service will receive the most favorable treatment as outlined in the Company's leave policies. Additionally, returning employees are entitled to all non-seniority rights and benefits that became effective during the military leave period.

The Company may require employees on military leave to pay the regular employee cost, if any, of any benefit under the same practice applicable to other employees on leave of absence.

#### 1. Group Health Coverage

Federal law prescribes health care continuation rules substantially similar to COBRA. Federal law allows an employee called for military service to elect to continue employer-provided health insurance for a period up to the first 18 months of that service.

If your period of service is 1 to 30 days, the Company will not require you to pay more than the regular employee cost, if any, for the coverage.

If your period of service exceeds 30 days, you will not be required to pay more than 102 percent of the total premium (i.e., the COBRA premium amount) to continue your health care coverage.

In all events, returning employees will be entitled to immediate reinstatement of health insurance for themselves, as well as any previously covered dependents, with no waiting period or exclusion of preexisting conditions (except government determined service-related health conditions).

#### 2. COBRA

Termination of group health coverage due to a military leave of absence is a COBRA qualifying event. Even if an employee does not return to work after military service, continued health coverage must be available for the remainder of the COBRA period. Health care coverage that is available during military leave (i.e. CHAMPUS) is not considered to be group health coverage, and therefore an employee does not forfeit COBRA rights by reason of such coverage.

### **FAMILY AND MEDICAL LEAVE OF ABSENCE POLICY**

A. **INTRODUCTION:** The Company realizes that employees occasionally need to take time away from work to care for important family and medical needs. This policy is designed to meet those needs in a manner that is beneficial to employees, their families, and the Company. It also represents the intent of the Company to comply with the requirements and purposes of the Family and Medical Leave Act of 1993 ("FMLA").

B. **REASON FOR LEAVE:** Eligible employees may be entitled to take a leave of absence for the following reasons:

- the birth of a child or an incapacity due to pregnancy or prenatal care, or the placement in your home of a child for adoption or for foster care ("NEW CHILD LEAVE");

- the need to care for your spouse, son, daughter, or parent who has a serious health condition (“FAMILY MEDICAL LEAVE”);
- a serious health condition that prohibits you from performing essential functions of your employment position (“EMPLOYEE MEDICAL LEAVE”);
- because of any qualifying exigency arising out of the fact that your spouse, son, daughter, or parent is a covered servicemember on active duty or has been notified of a call to active duty or is a covered servicemember in the Guard or Reserves called to active duty in support of a contingency operation (“MILITARY SERVICEMEMBER EXIGENCY FAMILY LEAVE”); or
- the need to care for your spouse, son, daughter, parent, or next of kin (nearest blood relative) who is a covered member of the United States Armed Forces (including the National Guard or Reserves) or a covered veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness incurred or aggravated in the line of duty while on active duty (“MILITARY SERVICEMEMBER CAREGIVER LEAVE”).
- Requests for leaves of absence in situations other than those governed by the FMLA, such as military, educational, personal, and so forth, are not addressed in this Policy.

**C. ELIGIBILITY:** To be eligible for a leave of absence under this Policy, you must have:

- been employed by the Company for at least 12 months;
- worked at least 1,250 hours during the previous 12 months (hours spent performing military service on military leave count towards the 1,250);
- work at a facility employing at least 50 employees within a 75 mile radius; and
- qualified to receive a FMLA leave as provided in B above.

If you have a break in service to the Company of seven (7) years or more, you must be reemployed at the Company for at least 12 months before you are eligible for FMLA leave.



- D. **AMOUNTS OF LEAVE:** If you are an eligible employee, you may take up to twelve (12) weeks of leave during a 12-month period for qualifying situations. A request for a leave of absence generally will not be approved if you have already used 12 weeks of leave under this policy during the twelve (12) months preceding the date you requested to begin your leave (rolling 12 months). Different rules may apply when both spouses work for the same Company. Please consult Payroll or any Company Officer if this applies to your situation.

If you are an eligible employee who is caring for a covered service member wounded in the line of duty (MILITARY SERVICEMEMBER CAREGIVER LEAVE), you may be eligible for a total of up to twenty-six (26) weeks of leave during a 12-month period to provide care for the covered service member. If you use FMLA leave for any other purpose and also use MILITARY SERVICEMEMBER CAREGIVER LEAVE, the combined leave may total twenty-six (26) weeks. The 12-month period for purposes of MILITARY SERVICEMEMBER CAREGIVER LEAVE begins on the first day of your MILITARY SERVICEMEMBER CAREGIVER LEAVE and extends 12 months beyond that date. You are eligible for only one period of MILITARY SERVICEMEMBER CAREGIVER LEAVE for each covered family member for each injury.

- E. **COMPENSATION DURING LEAVE:** Leaves of absence under this Policy are generally without pay. If you take a leave under this policy, you must use all of your available accrued vacation and unused paid sick and personal days as part of that leave. Regardless of whether you receive vacation, personal, or sick pay during the leave, the full amount of leave time will be counted toward the 12-week maximum (26-week if using MILITARY SERVICEMEMBER CAREGIVER LEAVE) FMLA leave available in a 12-month period.

- F. **HEALTH INSURANCE DURING LEAVE:** During any leave under this Policy, you will continue to be covered by the Company's group health insurance plan so long as you satisfy the requirements of this Policy and the insurance plan.

1. **YOU PAY YOUR PORTION:** During a leave, you are responsible to pay your portion of the insurance premium as though you continued in active employment. All premiums should be submitted to the Payroll Department. You may pay for your share of the premium before you take the leave, and you are required to pay it no later than 30 days after it would be due if you were actively employed.
2. **NOT RETURNING TO EMPLOYMENT:** Coverage may stop if the Company learns and verifies that you do not intend to return to your employment or if you do not return to your employment. In these cases, the Company may request you to reimburse it for any premiums it has paid on your behalf during the leave unless the reason you did not return was because of a continued serious health condition or for other reasons beyond your control as identified in the FMLA.
3. **FAILURE TO COMPLY:** If you fail to comply with these requirements, including paying your portion of the insurance premium, your insurance coverage may lapse.

## **G. NOTIFYING THE COMPANY**

1. **FORESEEABLE EVENTS:** The Company requests you to complete and submit the attached Application Form at least 30 days in advance of foreseeable leaves, such as leaves for planned medical treatment or for your child's birth.
2. **UNFORESEEABLE EVENTS:** For unforeseen events, such as accidental injury causing a serious health condition, premature birth, or a sudden change in your health, the Company requests you to notify it of your need for leave as soon as it is possible and practical to do so (preferably by submitting the Application, but at least orally). You must follow the Company's normal call-in procedures to report your absence when it is possible to do so, in addition to submitting the FMLA leave paperwork. You can generally notify the Company of an unforeseen leave within one or two business days of when you find out you will need the leave. For unforeseeable leaves, the Company requests that you submit the Application Form as soon as practicable even if you have provided oral notification.
3. **FAILURE TO COMPLY:** Failure to follow these practices may result in delay or denial of your leave. In the case of foreseeable leaves, the Company may delay your leave for up to 30 days from the date you notify the Company of your need to take a leave of absence.

## **H. CERTIFICATION OF SERIOUS HEALTH CONDITION:** If you are requesting a FAMILY MEDICAL LEAVE, EMPLOYEE MEDICAL LEAVE, or MILITARY SERVICEMEMBER CAREGIVER LEAVE you must provide a Certification of Physician or Practitioner (a copy of which is attached to this Policy) to verify the serious health condition causing the need for a leave of absence. The certification forms are available in Payroll. The Certification must be completed by a qualified health care provider. If you have a question about who is qualified as a health care provider, please contact Payroll.

1. **DEFINITION OF SERIOUS HEALTH CONDITION:** FMLA leave will not be granted for a health condition unless it is for an illness, injury, impairment, physical or mental condition that involves one or more of the following:
  - in-patient care,
  - a period of incapacity requiring more than three calendar days of absence from work or similar daily activities, and continuing treatment by a health care provider, generally requiring at least two in-person visits to a health care practitioner or one in-person visit and a regimen of continuing treatment.
  - a chronic or long-term condition that is so serious that if it were not treated it would result in more than three calendar days of absence and you receive continuing treatment by health care provider, or
  - prenatal care.

2. **DEFINITION OF SERIOUS ILLNESS OR INJURY FOR MILITARY SERVICEMEMBER CAREGIVER LEAVE.** FMLA leave will not be granted for a service member's medical condition unless it is for a serious illness or injury. For an active member of the Armed Forces, Guard, or Reserve, a serious illness or injury means an injury or illness:

- incurred or aggravated in the line of duty on active duty in the Armed Forces;
- renders the service member medically unfit to perform the duties of the member's office, grade, rank, or rating;
- requires medical treatment, recuperation, therapy, outpatient treatment or causes the service member to be placed on a temporary disability retired list.

In the case of a veteran discharged within the five years prior to the date of the leave, a serious illness or injury is an illness or injury that manifested itself before or after the service member became a veteran and is:

- a continuation of a serious illness or injury that was incurred or aggravated in the line of duty on active duty and rendered the service member medically unfit to perform the duties of the member's office, grade, rank, or rating; or
- a physical or mental condition for which the covered veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and such VASRD rating is based, in whole or in part, on the condition precipitating the need for military caregiver leave; or
- a physical or mental condition that substantially impairs the covered veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service, or would do so absent treatment; or
- an injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

3. **TIMING OF CERTIFICATION:** The Company requests that you submit the Certification with your Application Form for a leave of absence. In no event should the Certification be submitted later than 15 days following your request for a leave. Except for MILITARY SERVICEMEMBER CAREGIVER LEAVE, when the certification is provided by a military or military-contracted physician, after you turn in the Certification from your health care provider, the Company may still request you to see another health care provider at its expense (and possibly a third one, if the first two medical opinions are inconsistent). The

Company reserves the right to request periodical additional Certification during the term of a leave of absence.

For MILITARY SERVICEMEMBER CAREGIVER LEAVE, if the Certification is completed by a health care professional with the Veteran Affairs Department or Department of Defense or a provider approved by one of those agencies the Company may not seek a second or third opinion. If it is completed by a private health care provider, the Company may still request you to see another health care provider at its expense (and possibly a third one, if the first two medical opinions are inconsistent).

4. **INABILITY TO PERFORM JOB IS REQUIREMENT FOR EMPLOYEE MEDICAL LEAVE:** You may qualify for an EMPLOYEE MEDICAL LEAVE only if the Medical Certification states that you are not able to perform the essential functions of your employment position.
5. **MEDICAL NECESSITY FOR FAMILY MEDICAL LEAVE:** You may qualify for a FAMILY MEDICAL LEAVE only if the Certification states that you are needed to care for your family member.
6. **FAILURE TO COMPLY:** If you fail to follow these guidelines **or if you falsify any information related to the Medical Certification, your leave may be delayed or denied and discipline, up to and including discharge, may result.**

- I. **NOTICE AND CERTIFICATION REQUIRED FOR MILITARY SERVICEMEMBER EXIGENCY FAMILY LEAVE.** If you are requesting a MILITARY SERVICEMEMBER EXIGENCY FAMILY LEAVE, you must provide a certification that a qualifying family member is on active duty or has been called to active duty in the United States Armed Forces and must provide a description of the qualifying exigency. Acceptable certification includes copies of orders to active duties and notices (including newspaper announcements or military base announcements) relating to the qualifying exigency or letters from third parties with whom you meet as part of the qualifying exigency.

You must provide as much advance notice of the need for MILITARY SERVICEMEMBER EXIGENCY FAMILY LEAVE as is reasonable and practicable under the circumstances requiring the leave.

Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings. A qualifying exigency must arise from a servicemember's call to duty.

- J. **COMPANY'S RESPONSIBILITIES.** The Company will inform you after you submit the proper documentation and certifications whether you are eligible for leave under this policy. If you are not eligible, the Company will provide the reason(s) for your ineligibility. The Company will inform you when it is designating your leave as FMLA and the amount of leave being counted against your FMLA entitlement.
- K. **RETURN TO WORK AFTER EMPLOYEE MEDICAL LEAVE:** When you return from an EMPLOYEE MEDICAL LEAVE you must provide certification that you are able to resume working. Prior to returning to work, you should contact Payroll to submit your medical clearance to return to work and to determine when you should report for duty. Failure to follow these procedures may result in delay when you are ready to come back to work or discipline, up to and including termination.
- L. **RESTRICTIONS ON NEW CHILD LEAVE:** NEW CHILD LEAVE must be taken within twelve months of the child's birth or placement. NEW CHILD LEAVE must be taken at one time unless you have made special arrangements with the Company to take the leave in a different manner, which must be verified in writing and signed by a Company officer. If both husband and wife work for the Company, they will be entitled to a total of twelve (12) weeks combined rather than twelve (12) weeks each.
- M. **INTERMITTENT OR REDUCED SCHEDULE LEAVE:** If and only if it is *medically necessary*, FAMILY MEDICAL LEAVE, EMPLOYEE MEDICAL LEAVE, OR MILITARY SERVICEMEMBER CAREGIVER LEAVE may be taken on an intermittent or reduced schedule basis. MILITARY SERVICEMEMBER EXIGENCY FAMILY LEAVE may also be taken on an intermittent basis. Intermittent or reduced schedule leave will be counted on an hour-by-hour basis to apply toward the maximum leave per 12 months. Any missed mandatory overtime will be counted on an hour-by-hour basis toward the maximum leave per 12 months
1. **ADDITIONAL REQUIREMENTS:** As noted on the attached Application Form, you must explain the medical reason for an intermittent or reduced schedule leave and you must support your reason with the appropriate medical Certification. Furthermore, you must inform the Company about your anticipated treatment schedule and the reasons for your proposed schedule. You must make reasonable attempts to schedule leave for planned treatments so as to not unduly disrupt the Company's operations.
  2. **ALTERNATIVE POSITION OR SCHEDULE:** The Company may require you to work in a different position or on a different schedule during the period of an intermittent or reduced schedule leave that will better accommodate the necessities of your schedule. The alternative position will have the same pay and benefits as the position you held prior to the commencement of the leave.
- N. **REQUIREMENT TO MINIMIZE DISRUPTION FOR PLANNED MEDICAL TREATMENTS:** For all leaves involving planned medical treatments, including intermittent and reduced schedule leaves, you are obligated to plan for treatments so that they will cause the least disruption to the Company's operations. Your earliest possible

notice to the Company and your flexibility in scheduling will assist to make certain that minimal disruption occurs.

- O. **RESTORATION OF SAME OR EQUIVALENT POSITION:** When you return from an FMLA leave under this Policy, you will be returned to the same or an equivalent position unless you have been notified prior to your leave request that you are a “key employee.” You will not lose any seniority or benefits because of your leave, although you will not accrue any additional vacation, sick days, or other benefits during the period of the leave.
- P. If your FMLA leave exceeds 12 weeks within a 12-month period (26 weeks for MILITARY SERVICEMEMBER CAREGIVER LEAVE), you will not be guaranteed a job upon return from the leave, unless otherwise required by law. Use of an FMLA leave shall not insulate you from: (1) disciplinary actions based on conduct that occurred prior to going on leave; or (2) transfer among positions if such transfer was planned prior to your requesting FMLA leave and is not based on the fact that a leave was planned. If you fail to return to work at the end of an FMLA leave, you will be considered to have voluntarily terminated your employment.
- Q. **COMPANY’S FMLA COMPLIANCE.** The Company intends for this policy to comply with the FMLA. The FMLA makes it unlawful to interfere with, restrain or deny the exercise of any right provided by the FMLA or to discharge or discriminate against any person for opposing a practice made unlawful by the FMLA or participating in an FMLA-related proceeding. The FMLA operates in conjunction with other state and federal laws and does not supersede such laws. If you believe the Company is not following the FMLA or this policy, you should immediately report this to the Human Resources Department. You have the right to file a complaint with the Department of Labor or file a private lawsuit if you believe the Company has violated the FMLA. The Company intends to fully comply with the FMLA, so please talk to us if you have any issues.

## **COBRA**

### **Continuation of Group Health Coverage Notice**

#### **To All Employees, Spouses and Families**

A federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") requires that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights under the continuation coverage provisions of the law, when continuation of coverage may become available to you and your family, and what you need to do to protect your right to receive it. Both you and your spouse should take the time to read this notice carefully. For additional information about your rights and obligations under the Company's Group Health Plan and federal law, you should refer to the Summary Plan Description or contact the Plan Administrator.

If you are an employee of the Company covered by its Group Health Plan, you have a right to choose this continuation coverage if you lose your group health coverage due to a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

If you are the covered spouse of an employee, you have the right to choose continuation coverage for yourself if you lose group health coverage for any of the following four reasons: (1) the death of your spouse; (2) the termination of your spouse's employment (for reasons other than gross misconduct) or a reduction in your spouse's hours of employment; (3) divorce or legal separation from your spouse; or (4) your spouse becomes entitled to Medicare, under Part A, Part B or both.

In the case of a covered dependent child of an employee, he or she has the right to continuation coverage if group health coverage is lost for any of the following five reasons: (1) the death of a parent; (2) the termination of a parent's employment (for reasons other than gross misconduct) or a reduction in a parent's hours of employment; (3) parents' divorce or legal separation; (4) a parent becomes entitled to Medicare, under Part A, Part B or both; or (5) the dependent ceases to be a "dependent child" under the terms of the contract.

You may also have a right to elect continuation coverage if you are covered under the plan as a retiree or spouse or child of a retiree, and lose coverage within one year before or after the commencement of proceedings under Title 11 (bankruptcy), United States Code by the employer and the bankruptcy results in a loss of coverage under the Group Health Plan.

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after being informed that a qualifying event has occurred. When the qualifying event is the termination of employment, reduction in hours, death of employee, commencement of bankruptcy or the

employee's becoming entitled to Medicare benefits, the Company will notify the Plan Administrator of the qualifying event.

Under the law, the employee or a family member has the responsibility to inform the Plan Administrator of a divorce, legal separation, or a child losing dependent status under the plan. This notification must be made within 60 days of the date of the qualifying event which would cause a loss of coverage.

The notice must be in writing, and should be sent to the Plan Administrator or contact Human Resources for more information on the current carrier and reporting requirements.

When the Company is notified the one of these events has happened, it will in turn notify you that you have the right to choose continuation coverage. Under the law, you have at least 60 days from the date you would lose coverage because of one of the events described above to elect continuation coverage. If and when you make this election, coverage will become effective on the day after coverage would otherwise be terminated. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect coverage on behalf of their spouses, and parents may elect coverage on behalf of their children.

If you do not choose continuation coverage, your group health insurance coverage will terminate in accordance with the provisions outlined in your booklet/certificate. If you chose continuation coverage, your coverage will be identical to the coverage provided under the plan to similarly situated employees or family members. The law requires that you be afforded the opportunity to maintain continuation coverage for three years unless you lost group health coverage because of a termination of employment or reduction in hours.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. [Add description of any additional Plan procedures for this notice, including a description of any required information or documentation, the name of the appropriate party to whom notice must be sent, and the time period for giving notice.]

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

You do not have to show that you are insurable to choose continuation coverage. However, you have to pay all of the premium plus a 2% administrative fee for your continuation coverage. (The law also says that, at the end of the 18-month or 36-month continuation coverage period, you must be allowed to enroll in an individual conversion health plan provided under the current group health plan, if the plan provides a conversion privilege.)

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

If you have any questions about this, please contact the person or office shown below. In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. If any change occurs, please notify, in writing, the following person or office:

MIH Admin Services, LLC  
5210 S. Priest, Suite 3  
Guadalupe, AZ 85283

If any covered child is at a different address, please notify the Company and the Plan Administrator in writing, so that a separate notice may be sent. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.



# **MANAGEMENT OPERATIONS**

## **KEY POLICY**

Each Store will maintain one “Store set” of keys. No one except the Manager is allowed to maintain a “personal set” of keys. Only the openers (Shift Manager or above) may be issued an opening key (entry door). Each night the “Store set” of keys will be left in the Store by the closer (Shift Manager or above). This procedure will secure the keys while the Store is closed and the opener will have access to the keys by opening the store the next morning. Extra keys may NOT be kept in the Store. All excess or extra keys must be turned into the Chief Operating Officer.

No one below the level of Shift Manager is authorized to handle Store keys at any time. The Store keys must be kept by a Shift Manager or above on their person at all times.

An updated original Security Log must be signed and maintained by the Regional Vice President anytime a change is made. No copies of keys are to be kept by anyone except for the Chief Operating Officer. Any keys not noted as missing on the Security Log and later found to be missing will result in disciplinary action up to and including termination.

The loss or mishandling of Store keys or passwords may result in disciplinary action up to and including termination.

**This policy is very important to the safety of our employees and guests. Any violation of this policy will result in disciplinary action up to and including termination.**

## **STORE CLOSURE PROCEDURE**

Food safety regulations require the immediate closure of a facility, “If any immediate danger to the public health or safety is found. Immediate danger to the public health and safety means any condition, based upon inspection, finding or other evidence that can cause food infection, food intoxication, disease transmission, or hazardous condition, including but not limited to, unsafe food temperature, sewage contamination, nonpotable water supply, or an employee who is a carrier of a communicable disease.” Facility closure means complete closure of the Store.

**THE STORE MUST BE CLOSED UNDER ANY OF THE FOLLOWING CONDITIONS:**

- A. Loss of electrical power.
- B. Loss of potable (drinkable) water supply. The Store may need to close if the hot water is not working. Contact your supervisor and Quality Assurance to determine if you will be required to close.
- C. Fire and/or activation of the fire extinguisher system.
- D. Sewer backup into the Store / failed drains.
- E. Flooding.
- F. Any condition that poses an immediate danger to public health or safety and may not be limited to the items stated above.
- G. At the direction of the Health Department or other Regulatory Agency.

#### GOALS OF A STORE CLOSURE:

- A. Protect our guests.
- B. Complete the "Store Closure Checklist" immediately.
- C. Eliminate the dangerous situation.
- D. Re-open the Store as soon as it is safe to do so.

If the health/fire department closed the Store, do not re-open until you are allowed to do so by the health department. If you voluntarily closed the Store yourself, verify that all risks associated with the closure have been eliminated and contact your supervisor and Quality Assurance for approval to open before you re-open.

Get to know this policy very well. Failure to follow the procedures listed above will lead to disciplinary action up to and including termination.

#### **PRODUCT ORDERING**

Employees of the Company are only authorized to order or purchase items from authorized sources, either from the Company's order forms or authorized distributors. No employee of the Company is authorized to purchase any products or supplies from any other source at any time or in any case.

#### **REPAIR AND MAINTENANCE**

There are three priority levels for repair and maintenance.

**Priority One** = A problem that endangers the health or safety of a guest or employee, or a problem that prevents the Store from serving a product. Every effort must be made to have the problem fixed within 24 hours. See Store Closure Procedures for guidance regarding whether the problem may require Store Closure.

**Priority Two** = A problem that can be operated with or around until man hours and/or appropriate funding are available.

**Priority Three** = A problem which is not critical and can wait until appropriate funding is available. (Usually cosmetic in nature)

All priority levels are subject to change at the discretion of the Management. It is the responsibility of the Store Manager to call in all Repair and Maintenance issues. A Priority One must be called in on a daily basis until the problem has been fixed. If the problem is not fixed the Store Manager must continue to call until completed or begin to call Upper Management for resolution.

#### **CASH & DEPOSITS POLICY**

It is the Store Managements responsibility to enforce daily the deposit policy and procedures concerning deposits. The deposit policy is as follows:

1. Deposits are to be made once daily (minimum) unless the Deposit Manager requires twice daily.
2. No deposit will be taken to the bank after bank hours. Only take deposits when the bank is open.
3. Night deposits or after hours deposits are NOT allowed. All deposits must be made while the bank is open and given to a teller. Do not use machines or drop boxes.
4. A deposit receipt must be obtained every time a deposit is delivered to the bank.
5. If for any reason any deposit cannot be made on time, notify your supervisor immediately. The supervisor must make arrangements for deposits of said funds to the bank.
6. If a deposit cannot be made then RVP will have to Notify the VP and Deposit Manager Via e-mail or Text with reason why deposit will be late.

#### **THE DEPOSIT PROCEDURES ARE AS FOLLOWS**

1. Deposit amount and verification must agree with the cash reconciliation report.
2. Deposit slip must be signed and dated by the preparer. If a deposit does not match the amount declared on the deposit slip the preparer will be held responsible for the discrepancy.
3. If a deposit is to be left in the store after preparing manager has left, the shift manager who is going to be responsible for the store bank must verify and sign off on deposit slip and cash recon in the presence of the preparing manager. If the deposit does not match the amount declared on the deposit slip then the shift manager will be held responsible for the discrepancy.
4. Date on the deposit slip must match the cash reconciliation report.
5. Validated deposit receipts must be attached to the cash reconciliation sheet and marked off the weekly tracking form as verified. **IT IS ABSOLUTELY MANDATORY FOR THE GENERAL MANAGER TO VERIFY THIS.**
6. It is the RVP's responsibility to verify compliance on a regular basis. (This means each time the RVP is in the store, they should check for compliance.)
7. All deposits shall remain locked in the restaurant safe until taken to the bank.

#### **EMPLOYEE DISCIPLINE AND TERMINATION PROCEDURES**

It is important that supervisors document employee performance problems. The Company does not have a hard and fast rule as to how many warnings can be given to an employee before termination, but it is important that counseling and disciplinary actions be document. All employees are employed "at-will." Progressive discipline is not required. The Company understands that discipline and counseling may occur verbally and informally, and that not all discipline and counseling will be recorded. Supervisors should, however, try to use the following forms to document performance or behavioral issues.

- (1) Employee Performance Notice AND
- (2) Review notes section in the electronic payroll software system

\*Depending on the nature of an employee termination, failure to properly document employee performance issues prior to termination may result in disciplinary action, up to and including termination of employment.

After an employee is separated from employment for any reason, the supervisor should enter notes in the electronic payroll software system to identify the circumstances of the separation of employment, including but not limited to the following:

- Last day of work
- The supervisor in charge at the time of the incident/termination
- The incident(s) that caused separation of employment
- Whether the employee ever had this same incident occur before
- Did the employee quit or were they terminated
- Were there any witnesses to these incidents? Who when where?
- Was there written documentation on the employee that they signed and dated?
- Who was the person that entered these notes and performed the termination and on what date

If termination is a discharge (involuntary) or performance related, discuss the issue with Human Resources.

If the employee is being terminated due to a "No Call/No Show" situation, this should be recorded as a "Quit/Resignation" and NOT a "Discharge".

### **REQUIRED POSTINGS**

**The following items must be neatly posted in the Store and kept up to date at all times.**

CITY & STATE TRANSACTION PRIVILEGE TAX LICENSES

PERMIT TO OPERATE

BUSINESS LICENSE

CERTIFICATE OF OCCUPANCY

OSHA LOG (Last three years must be kept in "Past OSHA Logs" file in filing cabinet)

COMPANY CONTACTS FORM

LABOR LAW POSTER

EVERIFY POSTERS (if applicable)

OSHA POSTER

THIS COMPANY MANUAL

ANY OTHER REQUIRED POSTINGS

There may be other required postings depending on the state you are in.

## **REQUIRED MANUALS**

**If applicable, the following items must be neatly stored in the General Manager's Office or on Back Office Computer electronically and kept up to date.**

Operations Procedures Manual (OPM)  
Repair and Maintenance Manual (R&M)  
Quality Food Management (QFM)  
Ingredients Listing  
Green/Red Burrito OPM  
Safety Data Sheets "SDS"

## **BONUS PLAN - ACTING GENERAL MANAGERS AND ABOVE ONLY**

As a way of rewarding our General Managers for their dedication and commitment, the Company is proud to offer a quality bonus package. Bonuses are available to Acting General Managers and above according to the following eligibility requirements:

An Acting General Manager of a Store/Area is a Salaried Employee that was the highest level of authority responsible for the operations of the Store/Area for at least three fourths of a fiscal period for which bonuses will be paid. If a Store's performance qualifies it for a bonus in a given fiscal period and there was not an Acting General Manager or above for that Store during that period, no bonus will be paid. If the eligible Acting General Manager or above is either discharged from or terminates his or her employment with the Company prior to distribution of the Bonus Checks, a bonus will not be given. The employee must be actively employed the day the bonus is paid to be eligible for a bonus.

The Company has developed optimum levels to be used as a guide to control guest service, safety and costs. The Company reserves the right to withhold bonuses from any acting General Manager or above that performs poorly in the area of safety, service, or cost controls. Further, the Company reserves the right to amend or revoke the bonus plan at any time in its sole discretion.

## **COMPANY BUSINESS TRIP AND CREDIT CARD POLICY**

Company paid meals: Unless otherwise approved in advance, the company will cover \$15.00 (including tips) per day. We encourage you to support our brands and frequent Carl's Jr, Hardee's, and Pizza Patron while traveling.

Tipping: The standard of 15% maximum tip will be compensated again on a company sponsored trip. If you feel a better tip is warranted then you must pay for the additional amount.

Hotel/Motel Coverage: If an employee is more than 100 miles away from home and have worked more than 8 hours, the employee you can stay overnight with approval, or you are a RVP with stores that are in outer markets that require your attention, or you are QSC and are doing a late night visit or early morning visit. Other departments that are involved in new construction or remodel may stay with prior approval.

Travel: It is required that employees follow the guidelines below for all company related travel:

- Must use company credit card when booking travel and accommodations.
- Must use Southwest Airlines for all air travel with rewards #
- Must use company preferred hotels with rewards # unless a cheaper rate can be found
- Must rent vehicles from the cheapest of: Thrifty, Advantage, Enterprise, or Air ground transportation unless cheaper rate can be found.
- Must be responsible for booking your own travel using Rewards # AND providing Rewards # at time of check-in for air, ground and hotel. (note: travel is booked only upon the President's request)
- Must use credited rewards for business purposes only. Office Manager will place all reward flights and stays in your box.

The above will be continuously audited by the company to ensure that all employees are using company funds and rewards appropriately. Violations of this policy are not permitted and may result in disciplinary action, up to and including immediate termination.

Company Credit Cards: Credit cards will be issued to departments with a need. . Each credit card will have a predetermined limit to the credit card. When your credit card is at its limit you cannot spend any more, so do not send in expense report beyond the credit card. With a credit card comes responsibility. Remember how hard it is for the restaurant employees to control their costs so you can spend, spend wisely and only when necessary. When the credit card statement comes in you are required to submit all your receipts with the statement, if you are missing receipts then it will come back to you until corrected, so please send in all receipts and check off items on statements. All credit card purchases are being audited by the company. We will be tracking expenses that are inappropriate and the cost may be passed onto you, so again be responsible. All employees are required to get authorization to purchase any items that are not purchased for one of the company's stores.