

## **CUSTOMER RELATIONS**

**OUR CUSTOMERS ARE THE MOST IMPORTANT PEOPLE IN OUR BUSINESS. ALL OF OUR EFFORTS SHOULD FOCUS ON CUSTOMER SATISFACTION. EMPLOYEES SHOULD ALWAYS PROJECT AN IMAGE OF ENTHUSIASM, COMPANY PRIDE, COURTESY, AND MOST OF ALL, APPRECIATION. OUR BUSINESS CAN SUCCEED ONLY IF WE SATISFY OUR CUSTOMERS.**

**IF YOU ARE UNABLE TO SATISFY A CUSTOMER, PLEASE REQUEST A SUPERVISORS ASSISTANCE.**

**NEVER ARGUE WITH A CUSTOMER, REGARDLESS OF THE INDIVIDUALS BEHAVIOR.**

## NEW HIRE REQUIRED FORMS

A NEW HIRE Packet will be provided with the following required forms:

1. Handbook. Must be signed and dated.
2. Form W-4. This form must be completely filled out and signed.
3. Form I-9. This form must be completely filled out and signed.
4. Proof of Residency. List is provided of acceptable forms of identification.
5. New Hire Reporting. This form must be completely filled out and signed.
6. Every employee must have an email address for communication and payroll administration. **NO EMPLOYEE WILL BE ADDED TO PAYROLL WITHOUT A VALID EMAIL ADDRESS.**
7. Automatic Deposit Information. Provide bank routing number and checking account number; OR savings account number; OR if using a cash card, we must have the correct account number (the account number is NOT the number on the card, you can get the correct account number wherever you purchased the cash card) **\*\*\*\*\*PAYROLL DEPARTMENT MUST HAVE ALL INFORMATION IN THE OFFICE MINIMUM OF 2 DAYS BEFORE PAYROLL, IF NOT, CHECKS WILL BE ISSUED THE FOLLOWING PAY PERIOD.**
8. Check stubs and W2's will only be available online at: [workforce.intuit.com](http://workforce.intuit.com)

## PERSONAL INFORMATION

Due to governmental regulations and general business demands, we are required to maintain certain personal information on each employee. We ask that you notify the Personnel Office if there is a change in:

1. Address and/or telephone number
  2. Marital status
  3. Legal Name
  4. Dependents or beneficiary listed on insurance policy
  5. Number of dependents for tax withholding
  6. Person to notify in emergency
  7. Licensed driving privileges (suspension, revocation or restrictions)
  8. Medical conditions which may affect work performance
- **THIS INFORMATION WILL BE HELD IN STRICT CONFIDENCE.**

## SOCIAL MEDIA

The Company understands that an employee has the right to use social media as a tool for self-expression on non-company time. The employee is not to disclose trade secrets or any information about the Company's business, finances, or inner workings in any forum, discussion or posting format.

The employee will not place on any forum, his/her opinion or statement, as that being the Company's. The employee is absolutely prohibited from posting on any forum about an employee, customer or supervisor that is obscene, maliciously false, intimidating, harassing or threatening in any way. This is a violation of the Company's workplace policy.

### **WORKING HOURS**

Hours of work vary by position. Your supervisor will provide you with your specific work schedule including breaks.

Your work schedule may be changed from time to time, as needed, to meet the needs of our business. Your supervisor will advise you of any schedule changes.

### **VISITORS**

Personal visits from friends and family are to be kept to a minimum. They are always welcome to be a customer but their presences should not interfere with the employee's ability to work. It is against Health Regulations for a visitor to go into restaurant secured areas or behind the counter.

### **NON-EMPLOYEE ACCESS**

Anyone presenting himself/herself as being there on official business, the employee must notify the manager in charge. Under no circumstances is an employee to allow access into restaurant secured areas or behind the counter.

### **BULLETIN BOARDS**

A company bulletin board will display all "required by law" documents under federal and state laws. Bulletin board will also be used to post in-house job openings or notices of Company-sponsored events.

### **EMPLOYEE CONDUCT**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. makes an effort to treat all employees equitably and to administer procedures consistently. When performance is unsatisfactory, or when employees violate policies and procedures, disciplinary action may be taken. Examples of disciplinary action include but

are not limited to: verbal warnings, written warnings, suspension, and termination of employment. The nature of the disciplinary action will depend upon the circumstances of the particular problem or violation. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. specifically reserves the right to discipline an employee as it seems appropriate, including termination of employment.

1. **Verbal Warning.** Manager in charge will discuss with the employee the problem and how to correct it.
2. **Written Warning.** Manager in charge will write up a warning if the verbal warning is not corrected. Maximum written warnings are 3.
3. **Suspension.** This is optional, and time of suspension will be determined by General Manager. Suspension will be without pay.
4. **Termination.** If all the disciplinary actions taken have failed, then the only alternative will be termination.

### **PARKING**

You may use the employee parking area at your own risk and you should keep your vehicle locked. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. assumes **NO** liability for any damages to or theft of employee vehicles or personal property.

### **PERSONAL USE OF TELEPHONE/PERSONAL MAIL/PERSONAL VISITS**

During work hours, we are committed to completing our work duties with as few interruptions as possible. Personal telephone calls, social visits, and the receipt of personal mail detracts from your ability to accomplish goals. We will contact you if you receive an emergency telephone call and take messages for you in non-emergency situations, provided they do not prove to be repetitive. Social visits should be scheduled during breaks. Employees are not allowed to receive mail at work.

### **SECURITY**

The physical security of the Company as well as the safety of our employees is important. All Company property that can be secured with a lock, such as equipment, doors, files, desks and gates should be locked when not in use. At the end of each day, **all locks should be secured.**

**NO GUNS** on site. Vehicles are subject to search at any time.

Company security is critical. Employees are not to share any security information that has been given to them by the Company, i.e. Keys, Alarm Codes, etc.

Managers are expected to test DVR Security System at least twice a month. This is to ensure they are working properly.

### **ACCIDENT REPORTING**

When an employee or a customer gets hurt on Company property, an **ACCIDENT INCIDENT REPORT or EMPLOYEE INCIDENT REPORT (DEPENDING UPON SITUATION) MUST BE FILLED OUT. NO MATTER IF IT'S A ROBBERY OR AN INJURY TO A CUSTOMER OR EMPLOYEE (WHETHER THE CUSTOMER OR EMPLOYEE REFUSES TO GO TO THE HOSPITAL). A COPY OF THAT REPORT MUST BE SENT TO THE OFFICE OR THE GENERAL MANAGER/DISTRICT MANAGER AND A COPY KEPT IN EACH FILES.** The General Manager/District Manager will call the insurance company **ASAP** and tell the insurance company what has happened. **ALSO, IF POSSIBLE, GET THIS ON A DISC OR JUMP DRIVE FROM YOUR SECURITY CAMERA.**

### **EMPLOYEE SUGGESTIONS**

We always welcome suggestions on how we can improve our efficiency and productivity. If you have suggestions, please let us know. Such suggestions may save the company money and/or time.

### **EQUAL EMPLOYMENT OPPORTUNITY**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. is an equal opportunity employer and does not discriminate against any employee or applicant because of race, religion, age, sex, national origin, disability or in any other manner that violates the law.

### **PERSONAL RECORDS**

Confidential personnel files and records, including medical information, are maintained for each employee and are the property of the Company. Such confidentiality will be maintained in accordance with applicable legal and medical requirements.

Information contained in your personnel file will not be released to external sources unless clear, written permission to release specific information is obtained from you. With the approval of the General Manager, management employees who have an employment-related "need to know" may inspect an employee's file.

It is the employee's responsibility to notify their supervisor of any changes that need to be made to their files that may change payroll or benefits. Information may include but is not limited to the following:

1. Last Name
2. Marital Status
3. Address
4. Add or Loss of Dependent
5. Phone Numbers
6. W-4 Deductions
7. Emergency Contact
8. Direct Deposit Account Changes

## EMPLOYMENT CATEGORIES

Full-time employees are scheduled to work 40 hours weekly. Regular full-time employees are eligible for benefits subject to the terms, conditions, and limitations of each benefit plan.

Part-time employees are not to work more than 28 hours a week. Part-time employees are not eligible for employee benefits.

Hiring relatives is allowed as long as you receive permission from the President of the Company. Relatives may be allowed to work in the same restaurant; however, relatives may not work in direct reporting relationships or supervise each other in any way. Relatives may not work on the same shift. For the purpose of this policy “relatives” include an employee’s spouse, children, parents, brothers/sisters, grandparents, grandchildren, aunts/uncles, cousins and corresponding step and/or in-law relations.

**The following is information taken directly from [tn.gov](http://tn.gov) Child Labor Act for employing minors.**

### WORKING HOURS

#### **14/15-year old’s:**

**While School is in Session:** No more than 3 hours per day; No earlier than 7:00 am and no later than 7:00pm; No more than 18 hours per week

**While School is NOT in Session:** No more than 8 hours per day; No earlier than 6:00 am and no later than 9:00 pm; No more than 40 hours per week

#### **16/17-year old’s:**

Minors 16 and 17 years of age may not be employed during those hours when the minor is required to attend class nor between the hours of 10:00 pm and 6:00 am, Sunday through Thursday, preceding a school day. However, if there is a Parental/Consent Form signed, then the minor may work until midnight, but no more than three (3) nights per week Sunday through Thursday.

If a minor being homeschooled the same rules apply, unless there is a letter of consent from the parent/guardian conducting the homeschooling. *Tenn. Code. Ann. 50-5-105 ©*

## **PARENTAL CONSENT FORM**

Forms remain valid until the end of the current school year or until termination of the minor's employment, or until the minor reaches the age of majority, whichever occurs first; and the original copy of the form shall be maintained for the period of its effectiveness by the employer at the location of the minor's employment. *Tenn. Code. Ann. 50-1-105 (b)(2)(C)*

### **Work Permits**

Not to be confused with the parental/guardian consent form. The state does not require work permits. The minor does need to provide the prospective employer with the proper documentation as proof of age: birth certificate, driver's license, state-issued ID, a copy of their passport, etc.

### **BREAK OR MEAL PERIODS**

A minor must be provided a thirty (30) minute unpaid break or meal period if scheduled to work six (6) hours consecutive hour. Such breaks shall not be scheduled during or before the first hour of the work day. *Tenn. Code. Ann. 50-5-115*

## **JOB DESCRIPTION/OPERATIONS/DUTIES**

### **TRAINING**

Each employee will receive training for the needs of our restaurant. We want you to be the best that you can at your job. There are several things that are important to make you a successful employee.

#### **CHAPS:**

**C – CLEANLINESS. ENTIRE RESTAURANT INSIDE AND OUT, KITCHEN, COUNTERS, DINING ROOM, ETC. WHEN BUSINESS SLOWS DOWN TAKE THAT TIME TO CLEAN.**

**H – HOSPITABLE. BE FRIENDLY AND CURTIOUS TO ALL CUSTOMERS. REMEMBER, BECAUSE THEIR CONTINUED LOYALTY, YOU HAVE A JOB.**

**A – ACCURACY. TAKE THE CUSTOMERS ORDER AND MAKE SURE THAT IT'S WHAT THE CUSTOMER IS ASKING FOR. THAT WAY, THEIR FOOD IS PREPARED ACCURATELY. ACCURACY MAKES A HAPPY AND REPEAT CUSTOMER.**

**P – PRODUCT. WE OFFER A QUALITY PRODUCT AT AN AFFORDABLE PRICE. MAKE CERTAIN THAT EACH AND EVERY CUSTOMER RECEIVES A PROPERLY PREPARED FOOD ITEM.**

**S – SERVICE. CUSTOMERS EXPECT AND PAY FOR GREAT SERVICE. THEY ALSO EXPECT SERVICE TO BE FAST, WHY DO YOU THINK THEY CALL IT "FAST FOOD?"**

Working in a restaurant, you will learn many job skills. You will be assigned a work station based on the Company needs and based on the position that the General Manager feels that best suits your abilities. (Drinking at work stations is prohibited and is a violation of Health Department policy.)

## CASH REGISTER

If you will be running the cash register and taking orders, you need to understand the importance of this position.

1. At the beginning of each shift, the cash drawer will start out with \$100 in bills and coins. The employee and manager in charge must count the drawer down to make certain that the correct amount is in there.
2. Do not let any other employee use the register except for the manager in charge.
3. If you have to make a correction or change a customer's order, get the manager in charge.
4. After the shift, the cash drawer must be counted and accounted for by employee and manager in charge. Money is to be put in the drop box. Manager in charge will return the register drawer back to the \$100 shift start up amount.
5. **DO NOT give food to anyone or short or give extra change to anyone. This is called theft and will result in disciplinary action or immediate termination.**
6. "Bumping" orders off the order monitor before delivery voids the accuracy of the delivery of food and may result in termination.
7. Do not accept tips.
8. Any change left by a customer must be turned into the manager in charge so that when customer returns, he/she may receive it.
9. Do not eat, chew gum or use any type of tobacco product during shift

## MEAL WHILE ON THE JOB

Employees will receive a 20% discount for their meal when they are in uniform immediately before or after his/her shift, or during break. Manager in charge must ring up employee. Order must be placed on the customer side of the counter and employee must eat inside the dining room. There will be No "To Go" orders. Orders will consist of a standard menu item. This discount does not apply to spouses, children, friends or relatives. Anyone giving discounts will be written up on a disciplinary action or terminated.

Manager in charge receives one meal free while he/she is on duty only. Order must be placed on the customer side of the counter and manager in charge must eat inside the dining room. Manager in charge meal must be rung up by the employee assigned to register and manager in charge must legibly sign the receipt. Receipt must be put into register. Orders will consist of a standard menu item. There will be NO "To Go" orders. This discount does not apply to spouses, children, friends or relatives. Anyone giving discounts will be written up on a disciplinary action or terminated.

**UNIFORMED OFFICIALS RECEIVE DISCOUNTS WHILE ON DUTY. THIS INCLUDES: LOCAL AND STATE POLICE, FIRE AND MILITARY.**



## **EMPLOYEE BEHAVIOR AND WORK PERFORMANCE**

### **ACCEPTABLE BEHAVIOR:**

1. Honesty
2. Confidentiality
3. Policies and Procedures
4. Courteous
5. Refraining of offensive behavior and/or language
6. Punctuality
7. Work ready- Complete Uniform
8. Task Performance
9. Cleanliness and order of work place and station

### **NOT ACCEPTABLE BEHAVIOR:**

1. Excess tardiness and absentees
2. Poor job performance
3. Refusal to cooperate or assist co-workers
4. Personal work on Company time
5. Personal use of Company equipment or supplies
6. Insubordination
7. Offensive behavior and/or language
8. Discourteous to co-workers or customers
9. Stealing of any kind (Cash, Food, etc.), destroying, abusing Company property
10. Failure to do your assigned job
11. Fighting on Company property
12. In appropriate behavior that would affect the safety of co-workers or customers
13. Any kind of weapon
14. Intoxication
15. Drugged
16. Disclosing Company Policies, Procedures or Confidentiality
17. Failure to report any known violations
18. Not allowed to eat, chew gum or use any form of tobacco while working

## **MAINTENANCE**

Any maintenance issues should be reported to the manager in charge. The manager should in turn report the problem to the General Manager thru email or phone call, and also call the Operation and Maintenance supervisor.

## **PROMOTIONS**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. attempts to fill vacancies through promotions from within whenever possible, however, LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. reserves the right to fill vacancies from outside the Company and without internal posting when it deems such action is necessary.

## **WORK REFERENCES**

All requests for references should be directed to your direct Supervisor.

## **TERMINATION OF EMPLOYMENT**

Employment at LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. may be terminated for reasons of discharge, resignation, retirement, or reduction in the work force. Absent a written employment contract, LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. employees are free to resign at any time and for any reason, and LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. reserves the right to discharge employees at any time and for any reason. Employment with LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. is considered to be at-will, and the employment relationship may be terminated at any time for a lawful reason by either party.

If you voluntarily resign, you are asked to give your supervisor written notice at least two weeks before the last day of employment.

Upon termination or resignation, all unused sick days and/or vacation days are relinquished.

It is the employees' responsibility that when he/she leaves the company to make sure the correct address is turned into payroll by December 31<sup>st</sup> of the same year in order for the employee to receive their W-2.

## **EXIT INTERVIEW**

A terminating employee generally will be scheduled for an exit interview with the General Manager and may also request an exit interview with his or her supervisor. The exit interview provides an opportunity for discussion of benefits coverage and continuation rights, repayment of outstanding debts and the return of LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. property.

## **RETURN OF PROPERTY**

You are responsible for all LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. property and materials, including credit cards, keys, uniforms, tools, manuals, or other written information issued to you. You must immediately return all LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. property in your possession or control at termination of your employment or at LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. request.

## **GENERAL POLICIES**

## PUNCTUALITY AND ATTENDANCE

To maintain a productive work force, LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. expects employees to be reliable and punctual in reporting to work. When you cannot avoid being late to work, must be away from work for part of the day or are unable to work as scheduled due to unexpected illnesses or other unavoidable reasons, you must notify your supervisor within two hours of your scheduled reporting time.

If you need to leave work for any reason, you must notify your supervisor before you leave the building. Failure to call in or report for work for three consecutive days will be considered a voluntary resignation.

## PERSONAL APPEARANCE

Proper dress and good grooming contribute to the morale of all employees and affect the business image we present to our customers and the community. You are expected to maintain a high standard of grooming and to present a professional, businesslike appearance consistent with the duties and responsibilities of your position.

Employees will be issued and required to wear and maintain uniforms. Uniforms remain the property of LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. and must be returned upon leaving the Company.

### UNIFORM

The Company will provide the employee with a shirt and hat. The employee will be responsible to provide "slip resistant shoes," (No open toed shoes allowed). The employee will also be responsible for providing black socks and black pants (Black belt if belt is desired).

Pants may be easy fitting but must fit properly, **NOT** snug fit, so that shirts may be tucked in. Pants may be a cotton/polyester blend but **NOT** denim. Baggy pants are **NOT ALLOWED. NO LEGGINGS, TIGHTS OR STIRRUP PANTS. PANTS MUST BE FULL LENGTH AND REACH THE TOP OF THE SHOE.**

### UNIFORM CARE

Uniform care is very important to maintain a professional look. Machine launder as follows:

1. Set washing machine to Knit or Delicate cycle
2. Set water temperature to Warm
3. Stained, pour liquid detergent onto stain and rub with hands let it set for a few minutes then rinse using warm water
4. Soiled, soak uniform in warm water over night
5. **DO NOT USE BLEACH, HOT WATER, OR SPRAY CHEMICAL STAIN REMOVER ON UNIFORMS!**
6. Dry uniforms on low heat setting
7. Remove immediately from dryer
8. Place on hanger to prevent wrinkles
9. Wash hats by hand

10. Let hat air dry

#### **ARRIVING TO WORK---READY TO WORK**

1. Arrive to work in uniform (Undergarments are not to be visible)
2. Uniform clean and wrinkle free
3. Shoes clean
4. If hat is not going to be worn, employee **MUST** wear a hair net

#### **PERSONAL HYGIENE AND GROOMING**

1. Each employee is expected to have bathed, applied deodorant and be clean upon arrival to work to begin shift. Each employee should be free of body odor, strong fragrances, tobacco odor, etc. Conservative amounts of cologne and aftershave is allowed.
2. Exposed cuts, lesions and blemishes must be covered with a bandage or band-aid supplied by the Company. Employees may be required to wear food safe gloves.
3. Hands are to be washed thoroughly with soap and hot water before handling any food.
4. Dangling earrings or other jewelry that may be hazardous is not allowed.
5. Fingernails are to be clean and neat.
6. Men are to always be clean shaven. Side burns are to be trimmed.

#### **LEGAL COMPLIANCE**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. complies with all state and federal laws impacting the way we conduct our business. As an employee of LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P., you agree to adhere to this Company standard. Your supervisor will inform you of the laws impacting specific jobs and will instruct you regarding compliance requirements and procedures. Some regulated I

Consumer Protection

#### **CONFLICT OF INTEREST**

Employees must avoid conflicts of interest. You have a conflict of interest if you place yourself in a position where your private interests may have an adverse effect on your motivation or the proper performance of your job, or when your action results in direct or indirect detriment to LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. or its customers.

Use of Company funds for improper purposes and dishonest practices is absolutely forbidden. You are required to disqualify yourself from exerting influence in any transaction where your own interests may conflict with the interests of the Company or where you may gain any financial benefit. Report in writing to the General Manager any financial interest you or any member of your family may have with any individual or party doing business with the Company.

No immediate family member, immediate family member will be defined as “Up to second cousin,” shall be employed nor be a vendor or third-party provider of the company, without the express written permission of the majority shareholder of the company. Expressed written permission NOT verbal.

### **GIFTS**

You should not accept any gift or gratuity from any customer, vendor or supplier that may be construed as payment or an obligation to do business with that individual or company. I.e. If you can sign a contract to do business with a company or vendor.

### **NONDISCLOSURE OF INFORMATION**

As a part of your employment with LEE’S FOOD GROUP, INC./LEE INVESTMENTS L.P. you may have access to confidential and/or proprietary information and records. Confidential information includes but is not limited to: data processing and computer programs and operations; financial information; personnel information and data.

You are prohibited from using, copying or disclosing any such confidential information to any other person, employee, firm, corporation, company or other entity, either during or subsequent to your employment, no exceptions unless authorized in writing by the General Manager.

### **CUSTOMER RELATIONS**

As part of the LEE’S FOOD GROUP, INC./LEE INVESTMENTS L.P. team, you should always respond to customer concerns promptly, courteously and professionally. Remember that courtesy on the telephone is important. LEE’S FOOD GROUP, INC./LEE INVESTMENTS L.P. preferred response to telephone calls is, “Checkers/Rally’s, how may I help you.”

### **TOOLS AND EQUIPMENT**

You are responsible for the proper maintenance and handling of all tools and equipment.

## CONCERNS AND COMPLAINTS

You are encouraged to bring concerns or complaints about work-related situations to the attention of your supervisor or General Manager. Every effort will be made to resolve problems fairly, equitably and promptly.

## HARASSMENT

**The Company will not permit harassment of any person for any reason, on the basis of race, color, religion, national origin, sex (including pregnancy, sexual orientation and gender identity), age, genetic information, disability, veteran status, or armed forces status or any other protected by federal, state, or local laws.**

**The Company will not permit the harassment of Company personnel by non-personnel on Company premises which includes customers, vendors and regulators.**

Employees may not physically, psychologically, and/or verbally harass another individual. Harassment is disruptive and can interfere with business. Such actions create an intimidating or offensive environment and reduce productivity. **Harassment Policy also applies to ALL Social Media as this will reflect on your work place attitudes and relationship including the ability to perform work task affectively.**

## SEXUAL HARASSMENT

Sexual harassment is unlawful and is against LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. policy.

Sexual harassment includes but is not limited to: unwelcome sexual advances, requests for sexual favors, and any other verbal or physical conduct of sexual nature. Sexual harassment occurs when submission to or rejection of unwanted sexual conduct is used as a basis for employment decisions, or when unwelcome sexual conduct creates an intimidating, offensive or hostile working environment.

If you believe you have been the subject of sexual harassment because of the actions of a supervisor, another employee or a nonemployee, you must immediately report the incident in writing to the General Manager.

All complaints will be investigated promptly. Confidentiality will be protected to the extent reasonably possible. Any employee, supervisor or manager who is found to have engaged in harassment or another employee will be subject to appropriate disciplinary action up to and including termination.



## SEXUAL HARASSMENT POLICY

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. is committed to providing a safe environment for all its employees free from discrimination on any ground and from harassment at work including sexual harassment. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. will operate a zero-tolerance policy for any form of sexual harassment in the workplace, treat all incidents seriously and promptly investigate all allegations of sexual harassment. Any person found to have sexually harassed another will face disciplinary action, up to and including dismissal from employment.

All complaints of sexual harassment will be taken seriously and treated with respect and in confidence. No one will be victimized for making such a complaint.

**DEFINITION OF SEXUAL HARASSMENT:** Sexual harassment is unwelcome conduct of a sexual nature which makes a person feel offended, humiliated and/or intimidated. It includes situations where a person is asked to engage in sexual activity as a condition of that person's employment, as well as situations which create an environment which is hostile, intimidating or humiliating for the recipient.

Sexual harassment can involve one or more incidents and actions constituting harassment may be physical, verbal and non-verbal. Examples of conduct or behavior which constitute sexual harassment include, but are not limited to:

### Physical conduct

- ❖ Unwelcome physical contact including patting, pinching, stroking, kissing, hugging, fondling, or inappropriate touching
- ❖ Physical violence, including sexual assault
- ❖ Physical contact, e.g. touching, pinching
- ❖ The use of job-related threats or rewards to solicit sexual favors

### Verbal conduct

- ❖ Comments on a worker's appearance, age, private life, etc.
- ❖ Sexual comments, stories and jokes
- ❖ Sexual advances
- ❖ Repeated and unwanted social invitations for dates or physical intimacy
- ❖ Insults based on the sex of the worker
- ❖ Condescending or paternalistic remarks
- ❖ Sending sexually explicit messages (by phone, by email or by mail)

### Non-Verbal conduct

- ❖ Display of sexuality explicit or suggestive material
- ❖ Sexually-suggestive gestures
- ❖ Whistling
- ❖ Leering

Anyone can be a victim of sexual harassment, regardless of their sex and of the sex of the harasser. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. recognizes that sexual harassment may also occur

between people of the same sex. What matters is that the sexual conduct is unwanted and unwelcome by the person against whom the conduct is directed.

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. recognizes that sexual harassment is a manifestation of power relationships and often occurs within unequal relationships in the workplace, for example between manager or supervisor and employee.

Anyone, including employees of LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P., clients, customers, casual workers, contractors or visitors who sexually harasses another will be reprimanded in accordance with this internal policy.

All sexual harassment is prohibited whether it takes place within LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. premises or outside including at social events, business trips, training sessions or conferences sponsored by LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P.

Anyone who is subject to sexual harassment should, if possible, inform the alleged harasser that the conduct is unwanted and unwelcome. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. recognizes that sexual harassment may occur in unequal relationships (i.e. between a supervisor and his/her employee) and that it may not be possible for the victim to inform the alleged harasser.

If a victim cannot directly approach an alleged harasser, he/she can approach one of the designated staff members responsible for receiving complaints of sexual harassment. This person could be another supervisor.

When a designated person receives a complaint of sexual harassment, he/she will:

- ❖ Immediately record the dates, times and facts of the incident(s)
- ❖ Ascertain the views of the victim as to what outcome he/she wants
- ❖ Ensure that the victim understands the company's procedures for dealing with the complaint
- ❖ Discuss and agree the next steps: either informal or formal complaint, on the understanding that choosing to resolve the matter informally does not preclude the victim from pursuing a formal complaint if he/she is not satisfied with the outcome
- ❖ Keep a confidential record of all discussions
- ❖ Respect the choice of the victim
- ❖ Ensure that the victim knows that they can lodge the complaint outside of the company through the relevant country/legal framework

Throughout the complaint procedure, a victim is entitled to be helped by a counsellor within the company. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. will nominate a number of counsellors and provide them with special training to enable them to assist victims of sexual harassment. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. recognizes that because sexual harassment often occurs in unequal relationships within the workplace, victims often feel that they cannot come forward. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. understands the need to support victims in making complaints.

#### **Informal complaints mechanism**

If the victim wishes to deal with the matter informally, the designated person will:

- ❖ Give an opportunity to the alleged harasser to respond to the complaint

- ❖ Ensure that the alleged harasser understands the complaints mechanism
- ❖ Facilitate discussion between both parties to achieve an informal resolution which is acceptable to the complainant, or refer the matter to a designated mediator with the company to resolve the matter
- ❖ Ensure that a confidential record is kept of what happens
- ❖ Follow up after the outcome of the complaints mechanism to ensure that the behavior has stopped
- ❖ Ensure that the above is done speedily and within 24 hours of the complaint being made

### **Formal complaints mechanism**

If the victim wants to make a formal complaint or if the informal complaint mechanism has not led to a satisfactory outcome for the victim, the formal complaint mechanism should be used to resolve the matter.

The designated person who initially received the complaint will refer the matter to your Supervisor or General Manager to instigate a formal investigation. The Supervisor or General Manager may deal with the matter him/herself, refer the matter to an internal or external investigator or refer it to a committee of three others in accordance with this policy.

The person carrying out the investigation will:

- ❖ Interview the victim and the alleged harasser separately
- ❖ Interview other relevant third parties separately
- ❖ Decide whether or not the incident(s) of sexual harassment took place
- ❖ Produce a report detailing the investigations, findings and any recommendations
- ❖ If the harassment took place, decide what the appropriate remedy for the victim is, in consultation with the victim (i.e. an apology, a change to working arrangements, a promotion if the victim was demoted as a result of the harassment, training for the harasser, discipline, suspension, dismissal)
- ❖ Follow up to ensure that the recommendations are implemented, that the behavior has stopped and that the victim is satisfied with the outcome
- ❖ If it cannot determine that the harassment took place, he/she may still make recommendations to ensure proper functioning of the workplace
- ❖ Keep a record of all actions taken
- ❖ Ensure that all the records concerning the matter are kept confidential
- ❖ Ensure that the process is done as quickly as possible and in any event with 24 hours of the complaint being made

### **Outside complaints mechanisms**

A person who has been subject to sexual harassment can also make a complaint outside of the company.

### **SANCTIONS AND DISCIPLINARY MEASURE**

Anyone who has been found to have sexually harassed another person under the terms of this policy is liable to any of the following sanctions:

- ❖ Verbal or written warning
- ❖ Adverse performance evaluation
- ❖ Reduction in wages
- ❖ Transfer
- ❖ Demotion
- ❖ Suspension
- ❖ Dismissal

The nature of the sanctions will depend on the gravity and extent of the harassment. Suitable deterrent sanctions will be applied to ensure that incidents of sexual harassment are not treated as trivial. Certain serious cases, including physical violence, will result in the immediate dismissal of the harasser.

### **SUBSTANCE ABUSE**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. is committed to maintaining a workplace that is free from the effects of drug and alcohol abuse.

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. strictly prohibits the use, possession, manufacture, distribution, dispensation or sale of illegal drugs, drug paraphernalia, controlled substances, unauthorized prescription drugs, or alcohol on Company premises during working hours. In addition, any drug or alcohol activity that adversely affects job performance or job safety or that discredits the Company is prohibited.

### **DRUG TESTING POLICY**

**PRE-EMPLOYMENT:** All prospective employees are subject to undertake a pre-employment urine drug screen test. Any offer or acceptance of employment is contingent upon the successful completion of the controlled substance test with negative results. No one shall be permitted to begin work until the results of the test have been obtained.

**RANDOM:** An unannounced breath alcohol and urine drug screen test given to a predetermined percentage of employees who perform safety-sensitive functions. This selection process will be conducted by the Company's Program Administrator contracted services. The selection process will be objective and anonymous, and shall include safeguards to ensure that the identity of the individual selected cannot be determined prior to or at the time of the selection. Thus, it is possible that one employee can be tested several times while another employee will not be tested at all.

**POST ACCIDENT:** Employees whose performance either contributed to an accident or cannot be completely discounted as a contributing factor to the accident will be tested.

**REASONABLE SUSPICION:** Any employee who has given a supervisor reasonable suspicion to believe that the employee is under the influence of a controlled substance or alcohol shall submit to a test. The employee will be transported immediately to the collection site by a Company representative.

**CONFIDENTIALITY:** Each individual's record of testing and results under this policy will be confidential. With the exception of the Program Administrators contacted services, testing laboratory, Medical Review officer and designated personnel employees, or upon request of state agency officials; the results of individual drug test will not be released to anyone without the expressed written authorization of the individual tested. All written records will be stored in locked containers or in secure location with access available only by the designated company officials. Unless an employee gives his or her written consent, the employees alcohol/drug testing records will not be released to a subsequent employer.

### **SMOKING**

In keeping with the Company's intent to provide a safe and healthy work environment, smoking. If an employee must smoke, by law they are required to be 20 feet away from the store.

Employee must take off apron and hat if they intend to take a smoke break and must do so in the designated smoking area.

### **SERIOUS ILLNESS OR DISEASE**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. is committed to maintaining a healthy and safe work environment for all employees. Employees with long-term, life-threatening, infectious diseases or illnesses may work as long as they are able to satisfactorily perform the essential duties of their jobs and medical evidence indicated that their continued employment does not present a health or safety threat to themselves, other employees or to the public.

### **SEVERE WEATHER**

Severe weather conditions can disrupt Company operations and interfere with work schedules, as well as endanger employees' well-being. If extreme weather conditions require closing the Company, you will be notified by your supervisor. If weather or traveling conditions delay or prevent you from reporting to work, you should notify your supervisor as soon as possible.

The General Manager will make the decision on whether or not to open the restaurant in severe weather. If you are scheduled to work, call the General Manager to confirm if restaurant is open.

## **TRAVEL/EXPENSE REPORTING**

Travel for business purposes must be approved in advance by your supervisor. Reimbursement for travel expenses is contingent upon your submission of a properly completed expense report form, fully documented by accompanying receipts. Expense reports must be submitted within 14 days of the incurred expense.

## **PAY**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. pay program is designed to attract, retain and reward qualified, capable employees. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. seeks to provide competitive wages and salaries and to treat employees fairly and equitably.

Your rate of pay is confidential and should not be discussed with fellow employees. If you have any questions concerning your pay, consult with your supervisor. Specific pay plans will be distributed by your supervisor.

**Paychecks and W2's are not sent from the payroll department. You will be able to go online and look at or print out your paystubs and your W2's. Go to the following website to set up your account:**  
[workforce.intuit.com](http://workforce.intuit.com)

**Follow the instructions. You will need your social security number and your last pay stub amount to set up account. You will also need to answer the security questions.**

## **PAY DAYS AND PAY PERIODS**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. pays employees by direct deposit. The pay period runs from Sunday thru Saturday. The payroll is turned in on Monday and your draft should be in your bank account (or whatever account that you choose) on Friday for previous weeks' time.

Report any discrepancies in your paycheck to the General Manager.

## **TIMEKEEPING**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. uses a time clock to determine hours worked. If you are non-exempt employee, you must clock in when you arrive at work and clock out when you leave. Without the approval of your department head, you may clock in no earlier than 10 minutes before starting time, and you may clock out no later than 10 minutes after your scheduled workday has ended. Each employee is required to clock in and must do it personally.

Every employee is to clock in and out each day through our independent automated time system or manual system. These times are to be submitted with payroll for each payroll period. It is **THE EMPLOYEES SOLE RESPONSIBILITY TO CLOCK IN AND OUT PERSONALLY. CLOCKING ANOTHER EMPLOYEE WOULD LEAD TO YOUR TERMINATION AND THE EMPLOYEE REQUESTING THAT YOU CLOCK THEM IN WILL ALSO.**

At the beginning and ending of each work shift, employees are required to clock in and clock out via a time system. Writing in time on a time card or time sheet is **NOT ACCEPTABLE AND IS NOT CONSIDERED PROPER PROCEDURE.** Not clocking in and out properly and/or falsifying hours worked could lead to disciplinary action or termination.

### **PAY DEDUCTIONS**

There are two types of pay deductions: Deductions required by law and deductions that you have authorized. The law requires that regular amounts be deducted from your pay and applied toward payment of your federal, local and state income taxes, if applicable, and to Social Security. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. offers programs and benefits beyond those required by law. You must authorize deductions from your paychecks for the cost of these plans.

### **OVERTIME**

Occasionally you will be called upon to work more than your normal work week and you may be eligible to receive overtime pay. Your supervisor will provide you with as much advance notice as possible. Overtime for eligible non-exempt employees must be approved in advance by your supervisor. Overtime will be paid to eligible non-exempt employees for time worked in excess of 40 hours per week, at 1-1/2 times your regular rate. Time off with or without pay, including but not limited to holiday, vacation, sick leave, personal leave or leave without pay, will not be counted as hours worked for purposes of calculating overtime. Overtime will normally be paid in the pay period following the period in which it is earned, providing timesheets/cards have been properly prepared, approved and submitted.

### **PAY INCREASES**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. compensation program is designed to attract, retain and reward talented, capable employees. Periodically, employees will be reviewed for pay increases, which meet the following requirements.

- ❖ Work 90 days before qualifying for a raise and must be certified in 2 Key Positions in the restaurant before they can be promoted or granted a pay raise.

❖ Key Positions: Cashier, Sandwich Maker, Fryer, Grill.

A recommendation to award a pay increase is made by your supervisor and submitted for approval.

### **PERFORMANCE EVALUATION**

A formal evaluation of your job performance will be conducted by your supervisor on a periodic basis. Performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job duties, identify and correct weaknesses, encourage and recognize strengths and discuss positive purposeful approaches for meeting Company goals. Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal day to day basis.

### **VACATION AND PERSONAL DAYS**

LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. has vacation and sick/personal leave for Managers. Abuse of attendance or leave policies will result in disciplinary actions. This time must be used within the year awarded and cannot be carried over past the end of the year.

#### **SALARIED EMPLOYEES (GENERAL MANAGERS)**

Salaried employees (General Managers) that have been employed for a full year will receive 5 vacation days and 3 personal days totaling 64 hours annually per year. Year beginning January 1 of the following year.

#### **ASSISTANT MANAGERS**

Assistant Managers that have been employed for a full year will receive 5 vacation days totaling 40 hours annually per year. Year beginning January 1 of the following year.

Salaried and Assistant Managers will be paid for vacation at their regular rate of pay.

### **FAMILY MEDICAL LEAVE ACT "FMLA"**

Lee's Food Group, Inc./Lee Investment s L.P. is covered employer under the Family and Medical Leave Act of 1993. FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave in a 12-month period to *eligible* employees for certain family and medical reasons. The 12-month period is a rolling period measured backward from the date of the last leave taken. If no prior family or medical leave was taken, the 12-month period will be measured forward from the beginning of leave. Employees are eligible if they have worked for Lee's Food Group, Inc./Lee Investment s L.P. for at least 12 months and for at least 1,250 hours during the 12-month period preceding the beginning of the leave. Employees; paid/accrued vacation and sick days will run concurrently with the use of FMLA leave.



Employees who are on an approved leave of absence may not engage in any form of self-employment or perform work for any other employer during that leave except for military service.

If two or more members of the same family who are entitled to leave under this policy are both employed by the Company, they are together eligible for a combined total of no more than 12 weeks of leave during a 12-month period for the same qualifying event.

Thirty days' notice is required to take leave when the need is foreseeable, such as pregnancy or when the leave can be scheduled, such as for elective surgery. In the event of medical emergencies, the employee must prove the Company with as much notice as practicable.

When an employee works a part-time schedule or variable hours, the amount of leave to which they are entitled will be determined on a pro rata or proportional basis. Eligible employees who are scheduled for less than 40 hours a week will receive the number of weeks of leave that is calculated by multiplying their normally scheduled hours by 12 then divided by 40 hours. The 12-month period for leave will be measured backward from the date the last leave was taken, if applicable, or measured forward from the beginning of leave.

FMLA leave must be taken as consecutive weeks for each incident or may be taken intermittently or on a reduced leave schedule only in the event of a specific medical necessity for the care of either employee (Sick Leave) or qualified family member (Family Care Leave) or a covered servicemember (Military Family Leave) or leave due to qualifying exigencies (Military Exigency Leave). Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the company's operations. When leave is taken on an intermittent or reduced schedule basis, the employee may be temporarily transferred to an alternative position with the same pay and benefits that better accommodates recurring leave periods than does the employee's regular position.

#### BENEFITS DURING FMLA LEAVE

Any previously accrued seniority shall remain in force however, employees will not be allowed to accrue seniority or other employment benefits during the FMLA leave. An employee who returns to work for at least 30 calendar days is considered to have returned to work.

Employees taking leave under the FMLA are entitled to receive health insurance benefits during the leave at the same level and terms of coverage as if they had been working throughout the leave. In the event that a new group health plan is provided or changes are made in the plan while an employee is on FMLA leave, the employee is entitled to the new or amended benefits to the same extent as if the employee were not on leave. The Company's obligation to continue group health insurance (except as required by the Consolidated Omnibus Budget Reconciliation Act – COBRA) ceases when the employee notifies the Company of their intent not to return to work. The portion of the health insurance premium that the employee pays must be paid at the same times as it would be made if by payroll deduction. If an employee does not return from a FMLA leave, the Company will recover the premiums paid on the employee's behalf during the *unpaid* portion of the leave, unless the employee did not return to work because of the continuation, recurrence or onset of a serious health condition, or some other reason beyond the employee's control. An employee may also continue to keep other group insurance plans such as term life, AD&D, disability and cancer insurance in effect while they are on FMLA leave by paying the normal premium amount payroll deducted. These premiums would also be due at the same time as if they were made by payroll deduction. In the event an employee's insurance premium payment is more than 30 days late, the Company may discontinue the employee's coverage.

An employee who does not return from a FMLA leave or who fails to make timely group health premium payments during a FMLA leave may elect to continue coverage under COBRA. Arrangement to pay premiums must be made prior to the FMLA leave.

The Company will require a physician's certification of the medical necessity for all leaves that are based on the serious health condition of an employee or the need to care for a seriously ill child, spouse or parent of the employee, or a covered servicemember. For the employee's own Sick Leave, certification must include a statement that the employee is unable to perform the functions of the job and an estimate of the amount of time it will take the employee to recuperate. For a Family Care Leave or Military Family Leave, the documentation must include certification of the medical necessity of the employee's care and an estimate of the amount of time the employee is needed to care for the spouse, child or parent.

An employee who is taking FMLA leave is required to report every 30 days their status and intent to return to work upon completion of leave. The employee must keep the Company advised of their expected date of return. The Company will require a statement from the employee's physician upon return from Sick Leave, certifying that the employee is able to resume work. This certification must be presented to the employee's General Manager prior to the commencement of work. The Company will reinstate an employee return from FMLA leave to the same job or one of equivalent pay, benefits and other employment terms for which they are qualified. If the same job or one of equivalent pay and benefits is not available as a result of a reduction in force, the employee will be treated in the same manner as though they were not on leave at the time of the reduction in force.

Whenever a "key employee" takes a FMLA leave, that employee may be denied restoration to their job, in the event restoration will cause substantial and grievous economic injury to the Company's operation. A key employee is defined as a salaried, FMLA eligible employee who is among the top 10% salary level of all Company employees and who works within 75 miles of the worksite. Employees will be notified of their status as a key employee, when applicable, after they request FMLA leave.

Family medical leave will be granted for any of the following reasons:

1. For incapacity due to pregnancy, prenatal medical care or child birth.
2. To care for employee's child after birth, or placement for adoption or foster care.
3. To care for the employee's spouse, son or daughter, or parent who has a serious health condition.
4. For a serious health condition that makes the employee unable to perform their job.
5. Because of a qualifying exigency arising out of the fact that your spouse, son, daughter, or parent is on active duty or call to active duty status in support of a contingency operation as a member of the National Guard or Reserves.
6. Because you are the spouse, son, daughter, parent, or next of kin of a covered service-member with a serious injury or illness.

The start date for the leave will be either:

1. The date of birth of the employee's child or placement of a foster or adopted child.
2. The first day of medical necessity for the employee's presence by the qualifying family member or servicemember.
3. In the event of disability, the first day an employee cannot perform the requirements of their job.

The ending date is the earliest of the following dates:

1. When the employee requests to return to work.
2. When a total of 12 weeks of leave has been taken for one or more of the qualifying reasons.
3. In the event of a birth or placement of a child, the expires 12 months from the date of the birth or placement.
4. In the event of a leave related to disability of the employee or a family member or servicemember, the end of the medical necessity for the leave.

Management reserves the right to review and approve the required documentation and conditions of any leave of absence. Based upon that approval, eligible employees may receive FMLA leave for any of the six reasons previously stated.

#### PARENTAL LEAVE

Often called “maternity” or “paternity” leave, Parental Leave is time off from work for female and male employees who are physically able to work but who choose to remain home and care for newborn, newly adopted, or recently placed foster children. The employee must be a natural parent, adoptive parent, foster parent or an individual standing in “loco parentis” for a child who is under 18 years of age, or if older must be incapable of self-care because of mental or physical disability. Leave to care for a child must be completed with 12 months of the child’s birth or placement. Employees on Parental Leave of 12 weeks or less will be required to use accrued vacation days starting at the beginning of the leave schedule only with specific approval by Company management.

#### FAMILY CARE LEAVE

Employees may be granted a Family Care Leave for the purpose of caring for a child (including biological, adopted, foster and stepchildren under the age 18, or age 18 and older if incapable of self-care because of a mental or physical disability), spouse (meaning legal married spouse) or parent (not including in-laws) who has a serious health condition.

Certification of the family member’s serious health condition, both before the leave begins and on a periodic basis by the family member’s health care provider will be required. If the Company desires, it may at its sole discretion require and pay for a second medical opinion of the necessity for family and medical leave. If first and second opinions differ, the Company may require and pay for a binding opinion of a third health care provider, jointly approved by the Company and the employee. The Company will reimburse the employee or family member for any reasonable out-of-pocket travel expenses incurred in obtaining the required second or third medical opinion. If the employee fails to provide the required certification, the leave is not considered FMLA leave, and thus the leave is not protected under the FMLA and the employee does not enjoy the protections of the act.

Employees on Family Care Leave of 12 weeks or less will be required to use accrued vacation days starting at the beginning of the leave. Paid sick days, with the exception of using the maximum number of Personal Days accrued, may not be used for a Family Care Leave.

#### SICK LEAVE

Employees who suffer from their own serious illness or injury may be granted a Sick Leave. A serious health condition includes any illness, injury, impairment or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider. This type of leave covers disabilities caused by pregnancy, childbirth, or other related medical conditions, as well as job-related injuries covered by workers’ compensation.

Certification of an employee’s need for Sick Leave, both before the leave begins and on a periodic basis thereafter by their health care provider, will be required. If the Company desires, it may at its sole discretion require and pay for a second medical opinion of the necessity for family and medical leave. If first and second opinions differ, the Company may require and pay for a binding opinion of a third health care provider, jointly approved by the Company and the employee. The Company will reimburse the employee for any reasonable out-of-pocket travel expenses incurred in obtaining the required second or third medical opinion. If the employee fails to provide the required certification, the leave is not considered FMLA leave, and thus the leave is not protected under the FMLA and the employee does not enjoy the protection of the act.

Employees returning from a Sick Leave must provide fitness for duty certification from their health care provider of their ability to perform the functions of their job. This must be presented to the employee's supervisor prior to returning to work. Employees on Sick Leave of 12 weeks or less will be required to use accrued vacation days starting at the beginning of the leave. Paid sick days, up to the maximum the employee has accumulated at the time the leave begins, will also be used for a Sick Leave once accrued vacation days have been exhausted. However, employees off due to a job-related injury covered by workers' compensation will not be eligible to use paid vacation or sick days as they will be receiving salary benefits from that insurance program.

#### MILITARY EXIGENCY LEAVE

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

#### MILITARY FAMILY LEAVE

This special leave entitlement permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty that may render the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list. Certification from the health care provider of the family member's serious injury or illness, both before the leave begins and on a periodic basis thereafter, will be required.

#### PROCEDURES FOR FMLA LEAVE

Employees must follow specific procedures to request a family or medical leave. There procedures are as follows:

1. **Complete the "Family and Medical Leave Request Form"**. Complete this form, sign it, submit to your Supervisor for signature, make a copy of it, and return it to the Personnel Officer. If possible, the form should be submitted 30 days in advance of the effective date of the leave.
2. **Complete an "Insurance Premium Recovery Authorization Form."** This form certifies that the employee acknowledges the Company's legal right to recover the cost of any premium paid by it to maintain coverage in group health insurance plan during any period of unpaid leave except under the following conditions:
  - a. The continuation, recurrence, or onset of a serious health condition that entitles the employee to leave to care for a child, parent or spouse with a serious health condition or if the employee is unable to perform the functions of the position due to their own serious health condition.
  - b. Other conditions beyond the employee's control that prevent them from returning to work.
3. **Have the "Certification of Health Care Provider Form"** completed by your physician or practitioner if requesting leave due to illness. This form may be requested from the Human Resources Department.
- 4.

## **MEDICAL AND DENTAL APPOINTMENTS**

Whenever possible, you should schedule medical or dental appointments before or after work or, if necessary, at the beginning or end of the business day.

## **BEREAVEMENT**

Upon notice to your supervisor or to LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P., you may be granted up to 3 days unpaid leave for a death in your immediate family. Immediate family includes your spouse, child, step-child, father, mother, step-parents, sister, step-sister, brother, step-brother, grandparents or parents-in-law. One day unpaid leave may be granted for the death of a relative other than the immediate family member.

**LEGALLY MANDATED BENEFITS**

## **WORKERS' COMPENSATION**

Workers' Compensation insurance provides compensation to replace a percentage of lost wages after a waiting period and payment for eligible medical expenses. The cost of workers' compensation insurance is fully paid by the Company.

It is the responsibility of the manager in charge to contact the General Manager **immediately and in writing** if you are injured on the job or believe that you have developed an occupational disease. In case of a severe injury, seek emergency medical care immediately and notify your supervisor as soon as possible. Failure to report may result in non-payment of medical services. If incident is not reported, disciplinary action may be warranted including but not limited to termination.

Drug Testing may be required if injured while on the job.

### **INJURY CLAIM**

Submitting fraudulent claims for injuries allegedly suffered on the job is prohibited and may result in disciplinary action including termination along with criminal penalties.

Any employee found withholding information of a fraudulent injury will be subject to disciplinary action including termination.

## **UNEMPLOYMENT INSURANCE**

Unemployment insurance provides partial income replacement during periods of short term, involuntarily unemployment. The benefit payment amount and duration of payments are set by legislation. LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. makes required contributions to the Federal Government and to the state.

## **SOCIAL SECURITY**

Social Security is a federal program providing old-age, survivors and disability benefits for workers. Contribution amounts are withheld from your pay, along with an equal amount from LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. and are forwarded to the Federal Government.

## **MEDICARE**

Medicare is a federal program that provides medical coverage for eligible retirees or disabled workers and their eligible dependents. Employee contribution amounts are withheld from your pay, along with an equal amount from LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. and are forwarded to the Federal Government.

## **STATUS OF BENEFITS AT TERMINATION**

If you terminate your employment at LEE'S FOOD GROUP, INC./LEE INVESTMENTS L.P. your benefits are generally cancelled as of your last day of employment. However, as a terminated employee, you may have rights and responsibilities under the employee benefits programs. Health plans are subject to continuation provisions under COBRA. Contact your supervisor for additional information.

The last day you are actively at work will be considered the termination day. Compensation for personal or vacation days is not payable upon termination.

If you leave the Company, you will be asked to pay off any outstanding debts to the Company and to turn in any uniforms, tools, keys, training materials or other Company property. Once Company's management is satisfied that all accounts are clear, a final paycheck will be issued to the employee in accordance with state law.