

# EMPLOYEE HANDBOOK August 2025

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# **WELCOME**

Welcome to **Reed Automotive Group** (the "Company)! You are joining a "*Team*" of people who take pride in their association with each other and the accomplishments of the organization which they belong.

We have a deep commitment to excellence, and we recognize that service is the key to our long-term success. Working together to do all that we can to satisfy the needs of our customers is why we all have the title of *Team Member*. The customer views us as one organization, so we all should realize that even though we work in different departments, we must work together. We understand that all the different jobs on the *Team* are just as important as the others; therefore, we all do the best we can to do our part, knowing that the *Team* is only as strong as we make it.

We hold each other to high standards of honesty and integrity. Shortcuts and compromise in these areas never work out for the best; they leave the customers thinking that we are all that way.

Together Each Accomplishes More. Teamwork is key to a successful business.

#### **NORMAL BUSINESS HOURS**

Hours vary based on location and position. Your manager will inform you of your hours of work. Due to the nature of our business, your hours may vary and may be adjusted to fit the needs of our customers. This schedule will also inform you of lunch breaks and any other breaks in the work schedules.

#### **HANDBOOK DISCLAIMER**

This handbook is a summary of the policies and procedures in place at Reed Automotive Group. Team Members should read and understand the policies in this handbook. Team Members who have questions about any policy should speak to their supervisor or contact the HR department. We intend for this Handbook to let you know what you can expect from us as well as what we expect from you. The contents of this Handbook constitute only a summary of the employee benefits, personnel policies, and employment regulations in effect at the time of publication. These benefits, policies and regulations will change from time to time as business conditions and other factors dictate. In the case of insurance and retirement benefits, the current insurance or retirement plan documents will control.

This Handbook supersedes all previous handbooks, policies and practices that are in any way inconsistent with the contents of this Handbook. We may add, change or delete benefits and policies as we deem appropriate.

Nothing in this handbook prohibits or restricts employees from exercising rights or engaging in activities protected by the National Labor Relations Act.

The Company intends to comply with all applicable state and federal laws, including, but not limited to those relating to equal opportunity, wage and hour, safety, health, and laws regarding any other terms and conditions of employment. Similarly, we expect you to comply with all laws that apply to your job(s) as a condition of your continued employment. This Handbook, and each

of its provisions, is to be interpreted and/or applied in accordance with all applicable federal, state, and local laws. Insofar as there is or may appear to be a conflict between the wording of any provision of this Handbook and applicable law, the law will take precedence and the provision in question will be interpreted and applied in a way that conforms to the law.

# **COMPANY HISTORY**

Reed Automotive Group was started in 1989 by Randy Reed, a former Air Force F-15 pilot who was born and raised in Winterset Iowa where his father, Harry Reed, had a John Deere implement store, a Purina feed and grain elevator, and a GMC truck franchise. Randy became the dealer of Randy Reed Pontiac Buick at the intersection of Englewood and North Oak Trafficway in July of 1989. Later, a GMC franchise was added, and the store became Randy Reed Pontiac Buick GMC. In 1993 the store moved locations to a former 'Bob's IGA' grocery store near Metro North mall off Barry Road in the northland. The store remained in that location until 2008, when it was moved to its current location. Randy operated the single dealership until 2003, when an opportunity came up to purchase the Chevrolet store in St. Joseph, which became Randy Reed Chevrolet. In 2014 the name of the organization was changed from 'Randy Reed' to 'Reed' (Randy never liked having his name on the business but was talked into it by his GM area manager!) when Tyler and Trevin Reed joined the organization post their military careers. In 2018 Reed Jeep Chrysler Dodge Ram, formerly Overland Park Jeep, along with Reed Chrysler Dodge Jeep Ram and Hyundai, formerly Car City, in St. Joseph Missouri, and finally Reed Hyundai, formerly Shawnee Mission Hyundai, were all added to the Reed Automotive Group network of dealerships.



# WHAT YOU CAN EXPECT FROM US

#### **PURPOSE, MISSION AND VALUES**

#### **Our Purpose:**

Serve our Customers by providing the region's best dealership experience.

#### Our Mission:

Develop our Team Members and our performance enhancing our company, our families and our communities.

#### **Our Values:**

All organizations are guided by core values that shape the way they conduct their business. We, too, trace our success to these basic principles, which provide a foundation for all we do.

**HONESTY:** Truthful, Sincere

**DILIGENCE:** Persistent Effort, Attentive Care

**TEAMWORK:** Cooperating to Achieve our Purpose

**PERFORMANCE: Exceed Expectations with Superior Quality** 

**GOLDEN RULE:** Treat Others as We Want to be Treated

#### **SERVING**

We all agree that serving each other will help us serve our customers and promote unity in our organization instead of strife. We realize that the best *Team Members* are those who actively look for ways to better the Team and his/her *Team Members*.

Again, Welcome to the Team, we wish you the best of success!

# **EMPLOYMENT-AT-WILL**

The relationship between the Company and you is an employment-at-will relationship. This means that the employment relationship is by mutual consent and is not for any definite period of time. While it is anticipated that your employment will be rewarding and long term, either you or the Company may terminate the employment relationship at any time with or without notice, for any reason or no reason at all, with or without cause.

#### **TEAM MEMBER RELATIONS**

Company Management realized that its fundamental strength and future growth depends directly upon the contribution made by each person within its organization; also, that productivity and efficiency results from real job satisfaction and from the opportunities you receive and accept for your individual self-development. To help implement these principles, we have developed this Team Member Handbook as your aid. While this handbook is not a contract of employment and is subject to change without notice, it has been developed in response to our commitment to the following:

- A system of communication that encourages Management at all levels to discuss work related topics with members of the Reed Team in an open, honest and fair manner.
- A working environment that motivates everyone to become involved with his/her job, and to accept greater responsibility for the success of their job.
- Your success means as much to our company as it does to you. You are an integral part of this organization and your understanding of the fact that we cannot be successful if you aren't, establishes the basis for a relationship of loyalty and cooperation.

## **CUSTOMER ORIENTATION POLICIES**

**OUR PHILOSOPHY** – We are a Franchised Dealer Group. We service, sell, lease and provide parts and accessories for all models of these vehicles. It is you, with all other Team Members, who provide the support and teamwork that is necessary to run a successful dealership. We work together toward the common goal of providing quality sales and services for our customers. The person who buys a vehicle from our dealership must be more satisfied than any other buyer of any other vehicle bought from any other dealership!

**INTEGRITY** – Everyone in our organization is in a position of trust. To violate this trust affects you, your fellow Team Members, your department, your manager and the Company. Examples include, but are not limited to, violations of the law and public disturbances.

**OUR REPUTATION** – Our public image is, for the most part, the result of attitudes of each Team Member. The responsibility of maintaining a positive reputation is on everyone's shoulders. When we all act with honesty, integrity and the Golden Rule we will continue with the reputation of the "Region's Best Dealership Experience."

All Team Members are expected to behave in a professional manner at all times.

**CUSTOMER RELATIONS** – The Company's successful record of growth has been greatly influenced by our Team Members appreciation of their responsibility to our customers. We all recognize that it is a good business policy to acquaint the general public with our products and services. The attentive treatment of people by the entire Team will help make and retain loyal

customers. Further, profanity or inappropriate behavior will not be tolerated and may result in disciplinary action.

The promptness with which customers are waited on, the way you address them on the telephone, the care and skill used in your work, the accuracy with which promises are kept, the neatness of you and our facility  $\sim$  all of these factors influence the customer either to come back or go elsewhere.

## **CUSTOMER COMPLAINTS AND CUSTOMER OPPORTUNITIES**

It is our daily duty as a member of the Reed Team to strive for customer satisfaction. It is only with this dedication and the ability to see each customer situation as the customers sees it, that sets us apart in the marketplace. Customer complaints are therefore never taken lightly, and successful resolution is pursued to the highest level necessary.

#### Always remember:

- 1. No customer is to leave the dealership dissatisfied without first bringing the issue to the Department Managers attention.
- 2. If the Manager cannot resolve the complaint, it will then be referred to the General Manager.
- 3. The General Manager or President will be the only person with the authority to turn a customer away unhappy.
- 4. It is our intention that no Team Member would have to encounter any verbal or physical abuse from any customer. Should a customer become offensive, contact your Manager without delay. If the Manager is unable to make progress with the customer, the General Manager should be contacted immediately.

# **EQUAL OPPORTUNITY POLICY**

The Company provides equal employment and advancement policies without regard to our Team Member's race, color, sex, religion, national origin, age, disability or handicap, citizenship status, service member status, sexual orientation, gender identity and expression, pregnancy, childbirth, or related medical conditions, ancestry, genetic information, HIV or AIDS status, off-site lawful tobacco or alcohol use, or any other category protected by applicable federal, state or local laws. The Company will carry out this policy in a manner consistent with good business practices and procedures and, of course, in compliance with all applicable local, state and federal laws.

Our non-discrimination policy also extends to our customers. Every customer must be treated properly regardless of their race, color, sex, religion, national origin, age, disability or handicap, citizenship status, service member status, sexual orientation, gender identity and expression, pregnancy, childbirth, or related medical conditions, ancestry, genetic information, HIV or AIDS status, off-site lawful tobacco or alcohol use, or any other status protected by law. Failure to comply with this policy is grounds for immediate dismissal.

## **POLICY AGAINST HARASSMENT**

We have a strict policy prohibiting harassment of any of our Team Members, applicants or customers. Any form of harassment related to an individual's race; color; religion; genetic information; national origin; sex; sexual orientation; gender identity and expression; pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; ancestry; HIV or AIDs status; off-site lawful tobacco or alcohol use; status as a medical marijuana user; and any other protected status is a violation of this policy and will be treated as a disciplinary matter. For these purposes, the term "harassment" includes:

- Offensive remarks, comments, jokes, slurs, or verbal conduct pertaining to an individual's race; color; religion; genetic information; national origin; sex; sexual orientation; gender identity and expression; pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; ancestry; HIV or AIDs status; off-site lawful tobacco or alcohol use; status as a medical marijuana user; or any other category protected by federal, state, or local law;
- Offensive pictures, drawings, photographs, figurines, or other graphic images, conduct, or communications, including e-mail, texts, faxes, and copies pertaining to an individual's race; color; religion; genetic information; national origin; sex; sexual orientation; gender identity and expression; pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; ancestry; HIV or AIDs status; off-site lawful tobacco or alcohol use; status as a medical marijuana user; or any other category protected by federal, state, or local law;
- Offensive sexual remarks, sexual advances (regardless of whether physical touching is involved), or requests for sexual favors (all regardless of the gender of the individuals involved);
- References to sexual conduct, an individual's sex life, sexual activity, sexual experiences, sexual deficiencies or prowess.
- References to an individual's body, offensive leering and/or whistling.
- References concerning an individual's characteristics such as pitch of voice, facial
  hair or the size or shape of a person's body, including remarks that a male is too
  feminine or a female is too masculine.
- Offensive physical conduct, including touching, gestures, or brushing up against someone (all regardless of the gender of the individuals involved).

The Company expects a higher standard of conduct by our Team Members than merely what is required under the laws prohibiting harassment, discrimination, or retaliation. Conduct that is

unwelcome by some may not be objectionable to others. We believe the best rule is to avoid all conduct, jokes, remarks, writings, images, etc., that are related to sex, race, religion, disability, age, or any other protected characteristic. To this end, all Team Members are expected to refrain from any offensive or inappropriate behavior and to exercise good judgment and conduct themselves in a professional manner at all times when in the workplace or on Company business.

If you have any questions about what constitutes harassing behavior or what conduct is prohibited by this policy, please ask Human Resources.

# VIOLATION OF THIS POLICY WILL SUBJECT AN EMPLOYEE TO DISCIPLINARY ACTION, UP TO AND INCLUDING IMMEDIATE DISCHARGE.

Harassment of our Team Members in connection with their work by non-employees – customers and vendors – is also a violation of this policy.

- 1. If you feel that you are being harassed by another Team Member, a customer or a vendor, you should notify your supervisor or Department Manager immediately so that we can look into and correct any problem that exists.
- 2. If the problem involves your supervisor or Department Manager or if you do not feel that the matter can be discussed with your supervisor or Department Manager or if you are not satisfied with the way your supervisor or Department Manager has addressed your problem, you should contact the General Manager immediately.
- 3. If the problem involves the General Manager or if you do not feel that the matter can be discussed with the General Manager or if you are not satisfied with the way the General Manager has addressed your problem, you should contact Human Resources immediately.
- 4. If the problem involves Human Resources or if you do not feel that the matter can be discussed with Human Resources or if you are not satisfied with the way Human Resources has addressed your problem, you should contact Ownership immediately.

You may be assured that your complaint will be kept as confidential as possible and you will not be penalized in any way for reporting a harassment problem.

You should also be aware that our supervisors and managers are also covered by this policy and are prohibited from engaging in any form of harassing conduct. Further, no supervisor or other member of management has the authority to suggest to any Team Member or applicant that their employment, continued employment or future advancement will be affected in any way by the individual's entering into (or refusing to enter into) any form of personal or sexual relationship with the manager or management personnel. If you have a problem with any manager, please report the problem directly to the General Manager or Ownership. Again, you will not be penalized for reporting a problem with a manager.

Because of the nature of harassment, things that may be offensive to one Team Member may not be offensive to another. In addition, harassment can sometimes take subtle forms and may not occur in front of witnesses. Therefore, it is your right and your responsibility to speak up when you see or experience something that you feel is out of line – even if others may not. That way we can take whatever steps are necessary to promptly address and correct the problem.

#### REASONABLE ACCOMMODATIONS/PREGNANCY ACCOMMODATIONS

To assist our Team Members who are or become disabled, who suffer on-the-job injuries, or who have known limitations due to pregnancy, childbirth, or a related condition, we will make reasonable accommodations to enable such Team Members to continue performing the essential functions of their jobs. Consistent with this policy, we may modify job duties to comply with medical requirements or restrictions. Other accommodations, such as modification of work hours, more frequent breaks, seating accommodations, limits on lifting, relocation of a work area, providing mechanical or electrical aids, transfer to a less strenuous or less hazardous position, and/or allowing the Team Member to apply for a vacant position for which the Team Member is qualified or granting a leave of absence may be appropriate, depending upon specific facts and circumstances of individual situations.

Obviously, there are limits to the accommodations which we can realistically make. For example, where an accommodation would cause an undue hardship to the Company, we would be unable to make the particular accommodation. Similarly, when placing an individual in a position, with or without accommodation, would cause the Team Member to be a direct threat to the Team Member or others, we may be unable to place the Team Member in a particular position.

If you need to request a reasonable accommodation because of a disability, on-the-job injury or limitations due to pregnancy, childbirth, or a related condition, please notify Human Resources. Likewise, if you need an accommodation for religious holidays or beliefs, notify Human Resources. We will discuss the matter with you, investigate your request, and to the extent possible, attempt to reasonably accommodate you.

Any Team Member who has questions or concerns about reasonable accommodations in the workplace, is encouraged to report these issues to the attention of Human Resources. Team Members can raise concerns and make reports and/or requests without fear of reprisal. Anyone who retaliates against any Team Member for reporting concerns or making accommodation requests will be subject to discipline, up to and including immediate termination.

#### **TEAM MEMBER COMMUNICATIONS**

If you have a problem or there is something about your job that is bothering you, get it out in the open and discuss it. We cannot help you unless you tell us what it is we can do.

Our *Problem Solving Procedure* offers you the freedom to discuss anything you wish with your immediate supervisor. If you have a problem, it can usually be resolved by following these steps:

- 1. Discuss the concern with your immediate supervisor. Very often, your supervisor is in the best position to handle your problem satisfactorily.
- 2. If your supervisor cannot solve the problem or if you are not satisfied after speaking with your supervisor, you should speak to your Department Manager.
- 3. If, you still feel the need to speak to other members of management after you have spoken with your supervisor or the Department Manager, we encourage you to speak to the General Manager.

4. In the event you have a concern, and for personal reasons you cannot follow the steps in this procedure, you may go directly to the Owner. The Owner is available for advice and assistance in solving your problem at any time.

When you inform us of your concern or problem, we will try to answer your concern or solve your problem as soon as possible under the circumstances.

The Company strives to create an environment where concerns can be addressed openly and honestly, without fear of reprisal.

The Company encourages Team Members to use our *Problem Solving Procedure* to resolve problems and complaints. However, for any employment related legal dispute that cannot be resolved through informal means, we have implemented a Mutual Agreement to Binding Arbitration. This Agreement and policy is set forth separately from this Employee Handbook.

## INTRODUCTORY EMPLOYMENT PERIOD

For every new Team Member, the first ninety (90) days of full-time employment is an introductory period for both you and the Company. During this time, you will have the opportunity to learn about the Company, your job and your new surroundings and to decide if this is the place for you.

At the same time, we will be reviewing your job performance, attendance, attitude, relationship and overall interest in your job, to determine if you are the right fit for us. At the end of this period, we will then make a decision concerning your continued employment. Of course, should a Team Member's performance become unsatisfactory at any time during this trial period, the Team Member will be subject to discharge at that time.

If, as a result of an illness or injury, you are absent from work for more than five days during your introductory period, we may choose to extend your introductory period as necessary to give you a fair opportunity to demonstrate your ability to do the job. If your introductory period is extended, you will be notified.

#### **EMPLOYMENT STATUS DEFINITION**

Full-time: Team Member works 30 or more hours per workweek

Part-time: Team Member works less than 30 hours per workweek

Hourly: Team Member paid on Time Clock hours

Flag rate: Team Member paid on Flag hours

Salary: Team Member paid a set salary amount per pay period

Performance Based: Team Member paid a draw each month and the differences are paid on or

before the 10<sup>th</sup> of the following month

#### **PROMOTIONS AND TRANSFERS**

It is our policy to promote from within wherever possible. However, because we often have to fill key positions quickly, we cannot check with each qualified Team Member to see if he or she is interested in being considered for each opening. Therefore, if you are interested in a promotion or transfer to another position, please discuss it with your Department Manager. If you wish to be considered for a specific opening, please let your manager know with a brief written memo. If you feel that you were not given fair consideration for a specific position, please discuss your concerns with the Operations Manager.

#### **YOUR PAY**

We pay most hourly Team Members weekly on Wednesdays. Salaried, Commission, and/or Drawbased Team Members will be paid semimonthly. The workweek starts on Monday and ends on Sunday. Commissions are paid once a month on or about the 10<sup>th</sup> of each month. Commission-paid Team Members should reference their pay plan for more details. If a payday falls on a holiday, your pay will normally be processed and paid on the first workday before the holiday.

We offer and strongly encourage all Team Members to enroll in the Company's direct deposit pay option. To enroll in direct deposit, please use the Human Resources Information System. Any questions or concerns you might have about the amount of your payroll check or direct deposits—overpayments, underpayments, hours or deductions—should be brought to the attention of the Human Resources Assistant immediately.

# PAYROLL DEDUCTIONS

We make deductions from Team Members' wages for a number of things including income taxes, social security, health insurance, 401(k) retirement plans, Team Member purchases, uniforms, garnishments, child support payments, etc. These deductions are made in both overtime and non-overtime weeks. If you have any questions about any deduction, please contact the Payroll Manager.

Some Team Members' pay plans may include a "guarantee" for a short period. This "guarantee" is not a guarantee of employment for the entire guarantee period. It is simply a guarantee of the amount you will be paid if you continue to be employed during the period. Payments will not continue after you leave the Company. A guarantee does not change any Team Members' status as an "at will" employee.

During our years in business, we have learned that loans to Team Members or advances in pay do little in the long run to help a Team Member meet his or her financial obligations. At the same time, we would be put in a very difficult and unpleasant position if we were required to collect a past due loan. For these reasons, we do not make loans or pay advances to Team Members. We also do not cash Team Members' paychecks or personal checks at the Company.

If you have any outstanding debts with the Company or Company property at the time you leave us, you are expected to resolve any debts and return all Company property in your possession prior to your departure. The Company may make deductions from your final pay, up to the maximum amount permitted by law, for any outstanding debts, loans, and/or the value of unreturned property

(including uniforms). Please contact the Payroll Manager if you have questions regarding your final pay.

# **PAID TIME OFF**

#### **HOLIDAYS**

The Company has adopted the following paid holidays:

New Year's Day Memorial Day July 4th Labor Day Thanksgiving Christmas Day

Eligible full time Team Members who have completed 30 calendar days of employment are paid holiday as follows:

Hourly Team Members will be paid their current wage rate multiplied by 8 hours.

Salaried Team Members will receive pay for that day the same as any other working day.

All service Team Members paid on flat rate production hours will receive 8 flag hours.

<u>Part-time Team Members</u> are not eligible for holiday pay.

To receive holiday pay a Team Member must work on the last normal scheduled day before the holiday and the first normal scheduled day after the holiday or be on authorized vacation.

If a holiday falls within a vacation period, the vacation day will not be charged against vacation balance. Our business sometimes requires work on a holiday. If an hourly Team Member is required to work on any of the observed holidays, that Team Member will receive his/her regular hourly wage for the time worked plus holiday pay.

Holiday are not included when calculating overtime pay.

# **VACATIONS**

Vacation time for full-time Team Members will accrue as follows:

First 6 Months	No Vacation Time
6 Months to 1 Year	3 Days (24 Hours) Paid Vacation
On 1 Year Anniversary	One Week (40 Hours) Paid Vacation
On 3 Year Anniversary	Two Weeks (80 Hours) Paid Vacation
On 10 Year Anniversary	Three Weeks (120 Hours) Paid Vacation
On 20 Year Anniversary	Four Weeks (160 Hours) Paid Vacation

# ALL vacation time requests must be made and approved through the Human Resources Information System.

Vacation time may be used in one (1) week increments or less at a time.

When requesting vacation time, the request should not be made more than three (3) months prior to the dates requested, but no less than one (1) month before the requested time off. Vacation time requested too far in advance will be denied and can be re-requested in the timeframe listed above.

However, if too many requests are made for the same period, your Manager will grant requests on the basis of need and longevity of employment. You will be notified of the approval of your vacation.

Hourly and Flat Rate Team Members will be paid at their normal hourly/flag rate at 8 hours per day on requested vacation days.

Salaried Team Members, Share Value Team Members and Managers shall take vacation time in eight-hour increments. For any day in which vacation under this policy is taken, their salary or draw for that workweek will remain the same and their washout, if earned will not be prorated. However, for each day that vacation is taken under this policy, the total number of hours of paid vacation available as provided under this policy will be reduced accordingly.

Eligible Team Members are required to exhaust all paid leave available under this policy prior to taking any unpaid time off. Salaried Team Members who have exhausted their vacation balance and who are out due to personal reasons for an entire day shall be required to take a leave of absence without pay for that day.

Performance-Based Sales Team Members will be paid their draw while using their vacation time. They will receive an annual check in their anniversary month to reflect vacation pay.

Vacation time accrued but not used for Team Members will renew on their anniversary date. Vacation time accrued but not used for Managers are based on a calendar year and will renew January 1st.

Unused vacation time will not be rolled over if not used by their anniversary date for all Team Members and December 31<sup>st</sup> for all Managers.

# **Upon End of Employment:**

Hourly and Flat Rate Team Members who give two (2) weeks' notice prior to their last day of work with the Company will be paid out 8 hours per day for unused vacation time at their regular rate. Team Members fired for gross misconduct will not be paid for their accrued but unused vacation time.

Managers and Salaried Team Members will be paid out one pro-rated day of salary or draw rate for each unused vacation day.

Share Value Team Members and Performance-Based Sales Team Members will be paid out one pro-rated day at their draw rate for each unused vacation day.

# PAID SICK LEAVE ("PSL") [Effective after August 28, 2025]

The Company provides paid sick leave ("PSL") to all Team Members, PSL is an annual benefit tracked based upon employees' anniversary or calendar year depending on their position. ("PSL Benefit Year").

#### **PSL Allotment and Limits:**

All Team Members are granted an allotment of PSL. Non-management level employees will receive twenty-four (24) hours of PSL on their anniversary date. Management employees will receive forty-eight (48) hours of PSL on January 1st of each calendar year. All employees must use PSL in at least two (2) hour increments.

## Carry Over/Payout:

PSL must be used within the PSL Benefit Year, in which it is allotted, and unused, but allotted PSL will not be paid out upon separation from the Company.

## **Requesting PSL:**

All Team Members may request and use PSL immediately upon receiving their annual PSL allotment. Team Members may not borrow PSL in advance of receiving their annual allotment or go negative in their PSL balance.

All requests to use PSL that are reasonably foreseeable (e.g., prescheduled doctor appointments and court dates) must be submitted in writing to the Team Member's immediate supervisor at least seven (7) days in advance of the need to take PSL. If the need to take PSL is not reasonably foreseeable, Team Members must provide written notice to their immediate supervisor as soon as practicable but no later than the same business day the Team Member learns of the need to take PSL, in the absence of any unusual circumstances.

PSL will run concurrently with leave taken under local, state, or federal law, including leave taken pursuant to the Family and Medical Leave Act and/or the Company's VESSA Policy. For more information regarding PSL and its interactions with other leaves, please contact Human Resources.

#### **Documentation:**

The Company may require Team Members to provide written documentation of authorized reasons for the Team Member's absence. For more information regarding the documentation requirements, please contact Human Resources.

#### Pay:

Team Members are compensated for their PSL time equivalent to their salary or hourly rate. Team Members who are compensated either partially or fully by commissions, piece rate, or work under

multiple rates of pay, should contact Human Resources for information regarding the calculation of their PSL pay.

# Miscellaneous:

Team Members who misuse or abuse this policy (e.g., misrepresent the reason for use of PSL or use PSL for non-covered purposes) may be subject to disciplinary action up to and including immediate termination.

# **EMPLOYMENT BENEFIT POLICIES**

#### **HEALTH INSURANCE**

For Full-time Team Members, group health insurance is available on the first day of the month following one month of employment with the Company. The premium will be partially paid for by the Company. Dependents of Team Members can be covered on the Company plan, the Team Member is responsible for the cost difference between the company contribution for the Team Member and the total cost for the family. The payment is administered by payroll deduction.

It is <u>your</u> responsibility to notify the Human Resources Manager if you desire to have this insurance coverage and to return enrollment paperwork. We currently pay a portion of the insurance premiums for Team Member coverage. Premiums vary depending on the coverage you select and you may pay the premiums through payroll deductions.

Our health insurance plan is an excellent one. It provides the type of medical coverage that we feel is needed to protect our Team Members and their families from catastrophic losses due to illness or injury. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself, which may be obtained from the Human Resources Manager. We may add, change or delete any provisions of this policy as we deem appropriate.

We must all recognize that the cost of our insurance plan is based upon how much it is used. Therefore, we all need to work to use the cost containment provision of the policy. This will help to keep the cost of our health care down and enable us to continue to provide this very valuable benefit.

In most cases, when a Team Member leaves us, he or she will be allowed to continue group health insurance coverage for a period of time under a law known as "COBRA." Written notification of your right to continue insurance coverage will normally be sent to you within a week or two after your last day of work. If you do not receive this notification and you would like to continue your coverage, it is your responsibility to contact the Human Resources Manager and request the necessary forms.

## **VISION INSURANCE**

For full-time Team Members, vision insurance is available on the first day of the month following one month of employment with the Company. However, it is your responsibility to notify the Human Resources Manager if you desire to have this insurance.

Premiums vary depending on the coverage you select and you are responsible for the premiums. You may pay the premiums through payroll deductions. You may obtain additional information about the Plan through the Human Resources Manager. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself.

#### **DENTAL INSURANCE**

For full-time Team Members, dental insurance is available on the first day of the month following one month of employment with the Company. However, it is your responsibility to notify the Human Resources Manager if you desire to have this insurance.

Premiums vary depending on the coverage you select and you are responsible for the premiums. You may pay the premiums through payroll deductions. You may obtain additional information about the Plan through the Human Resources Manager. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself.

#### **DISABILITY INSURANCE**

We provide Long-Term Disability Insurance coverage, at no cost to you, for our full-time Team Members who elect the group health coverage.

Full-time Team Members may elect Short-Term Disability coverage. Premiums vary depending on the coverage you select and you are responsible for the premiums. You may pay the premiums through payroll deductions. You may obtain additional information about the program through the Human Resources Manager. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself.

#### LIFE INSURANCE

We provide life insurance coverage for our full-time Team Members. Team Members may obtain additional coverage at their sole expense. Coverage normally begins on the first of the month following your completion of one full month of employment with us. However, it is <u>your</u> responsibility to notify the Human Resources Manager if you desire to have this insurance.

You may obtain additional information about the Plan through the Human Resources Manager. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself.

#### **RETIREMENT PLAN 401(K)**

The Company offers a competitive 401(k) plan that is available to all Team Members who meet the plan requirements on the first day of the month following one month of service with the Company. When Team Members become eligible for this plan, they will be notified by our selected 401(k) provider, John Hancock Financial, with a mailing to their home address of the enrollment opportunity.

The 401(k) plan is a paperless process, where enrollment and changes are made by the Team Member through either the website, App, or telephone call. All deferral changes will be updated weekly and will be processed for the following payroll.

The Company's desire is to encourage all Team Members to think and act on retirement savings and to provide a great solution to every qualifying Team Member by contributing a match to your investment.

This process has been streamlined for ease of use and both the website and App are user-friendly.

#### **Team Member Training**

When the Company requires or authorizes training, salaried and hourly Team Members receive their daily pay while being trained.

#### WORKERS' COMPENSATION

Workers' compensation is a no-fault system designed to provide benefits to all Team Members for work-related injuries. Workers' compensation insurance coverage is paid for by employers and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave, and rehabilitation services, as well as payment for lost wages due to work related injuries.

If you are injured on the job while working for the Company, no matter how slightly, you are to report the incident immediately to your Manager. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your Manager immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an accident report. You will be required to submit a medical release before you can return to work.

# **UNEMPLOYMENT COMPENSATION INSURANCE**

Unemployment compensation insurance is paid for by the Company and provides temporary income for Team Members who have lost their job under certain circumstances. Your eligibility for unemployment compensations, will, in part, be determined by the reasons for your separation from the Company.

#### TEAM MEMBER SERVICE DISCOUNTS

All discounts will apply only to the Team Member, his/her spouse, parents and a child who is under 18 years of age. Team Members may not pay for work on someone else's vehicle in order to get the discount and then be reimbursed.

Charges on repair orders covering personal cars will be determined by the following formula:

Labor at 60% of the Current Warranty Rate of the Dealership where the service is performed.

Parts = Cost + 10%

Any coupons offered to the public are not usable. Repair Orders and Invoices will only be generated to cover goods and services normally provided by the company in conjunction with a normal service operation.

- Team Members who utilize payroll deductions to pay for parts and/or services will have an accounts receivable limit of \$1,500.00.
- Team Members are not allowed to create or close any repair order(s) for their own vehicle or for their family members vehicle.
- Team Members who utilize our Collision Center will receive a discount of one half of the deductible depending on the amount of the deductible and the cost of repair.

# **SALE OF NEW CARS TO TEAM MEMBERS**

We want our Team Members to get the BEST deal we can give!

As a member of the Reed Team, you are eligible to use the following guidelines for determining your purchase options:

<u>Employed less than 6 months</u> – All cars and trucks can be purchased for Dealer Invoice. Contact one of the Managers for assistance in your purchases. The Company will reserve the right to decide if a particular model may or may not be purchased by a Team Member at the Team Member prices due to availability.

<u>Employed more than 6 months</u> – You may be eligible for the Manufacturer's Employee Purchase Plan Price (GMS). See the New Vehicle Manager for details.

In order to receive this benefit, any Team Member buying a new model must keep the car at least six (6) months. If you desire, you may sell your car yourself as long as there are no company salespeople involved in handling the transaction for you.

The Company will buy any used car from any Team Member who wishes to sell a used car. The purchase price will be figured at the current wholesale market price as determined by our Sales Manager.

- Team Members will receive the Company buy rate they qualify for if they choose to finance the vehicle at the dealership.
- Service Contracts may be purchased at \$25.00 over dealer cost.
- Sales Representatives who purchase a new vehicle at the Manufacturer's Employee Purchase Plan Price will receive credit for the unit and all respective incentive points normally associated with the sale.

#### SALE OF USED CARS TO TEAM MEMBERS

Since all used cars have a different value, we know of no special arrangement that would be satisfactory to all Team Members. Therefore, we believe it is best to negotiate each used car sales individually based on its market value. Because of the individuality of each used car, the Company cost figure will be irrelevant to the sale price. Please contact the Used Car Manager if you are interested in a used car.

#### **USE OF DEALERSHIP EQUIPMENT AND PROPERTY**

We have made a tremendous investment in our facilities and equipment in order to better serve our customers and to make your job easier. Deliberate or careless damage to our property will not be tolerated.

Team Members are not permitted to use any Company facilities to work on personal vehicles without the prior permission of the Service Manager. All personal vehicles in our shops must have an open repair order and all parts must be properly charged to the ticket. For safety reasons, working on vehicles after normal work hours is prohibited.

Company property and tools may not be removed from our premises without the prior written permission of your Department Manager. All used parts that are not returned to the customer are the property of this Company. No Team Member may remove any used part – including scrap – from the Company without the <u>prior written</u> permission of the Service Manager.

# **RECOGNITION PROGRAM**

In effort to recognize outstanding service and contributions to the Company, the Company may award Team Members in each Department who exceed expectations in their customer service and work ethic. These awards are determined on an annual basis and may be awarded at the sole discretion of management.

# **COMPANY LEAVES**

#### **LEAVE OF ABSENCE**

Subject to and in accordance with the requirements of federal and state laws, full-time regular Team Members who have completed their first year of employment may request unpaid non-medical personal leaves of absence for a period of up to thirty (30) days. A personal leave of absence without pay may be granted in an instance where unusual or unavoidable circumstances require prolonged absence from work. If you are granted leave, you must comply with the terms and conditions of the leave, including keeping in touch with us during your leave, and giving us prompt notice if there is any change in your return date. This type of leave cannot be used in conjunction with any other leave, unless required by law. Where allowed by law, Team Members must exhaust any paid leave available before they are eligible to request unpaid leave under this policy.

Requests for personal leave must be made in writing at least two (2) weeks in advance and must fully explain the conditions that necessitate the leave. Each request will be considered on its own merit and with regard to the Company's ability to operate without you.

Subject to the terms of the particular benefit contract, during the leave you may continue your medical, dental and life insurance, if prior to commencement of the leave, arrangements are made for payment of the total premium during the leave.

You must not accept any other employment or apply for unemployment insurance while you are on a leave of absence or continue any outside employment that is inconsistent with your need for leave. Acceptance of other employment while on leave will be treated as a voluntary resignation from employment at the Company. You will not accrue any paid time off (sick leave, vacation, etc.) while you are on an unpaid leave.

The granting of a leave of absence does not guarantee that there will be a position available upon your return from the leave. The Company endeavors, however, to place Team Members returning from leave in their former position, or in a position comparable in status and pay. If you refuse the offer of an alternate position, you will be considered to have resigned as the date of refusal.

Any Team Member who falsifies the reasons for requesting a leave will be automatically terminated from employment as of the date the leave commenced. A Team Member who fails to report to work on the first rescheduled day following expiration of a leave of absence will be considered to have resigned.

You should speak directly with your General Manager prior to requesting a personal leave to ensure that you understand all of your obligations to the Company while on leave, such as periodic reporting and re-verification obligations. Failure to comply with Company policy may substantially affect your ability to return to work under this policy.

#### **BEREAVEMENT LEAVE**

Should a death occur in a Team Member's immediate family or the immediate family of his/her spouse, the company will grant paid leave of absence to hourly, salaried and flag rate Team Members. Bereavement pay begins on the day of notification to the funeral day and is not to exceed three (3) working days.

Immediate family is defined as:

- Spouse
- Mother/Step-Mother/Mother-In-Law
- Father/Step-Father/Father-In-Law
- Sister/Brother/Step-Sister/Step-Brother/Sister-In-Law/Brother-In-Law
- Children/Step-Children
- Grand Parents/Great-Grand Parents/Grand Children

Hourly and flag rate Team Members will be compensated eight (8) hours per day. Only Full-time Team Members with over thirty (30) days employment with the company will be eligible for paid bereavement leave.

# PARENTAL LEAVE

Team Members who have been employed with the Company for at least 6 months are eligible for up to twelve (12) weeks of time off from work during the 12-month period following the birth of their child and the initial placement of a child sixteen (16) years of age or younger with the Team Member for adoption. Eligible Team Members may receive payment for the first forty (40) hours of Parental Leave taken pursuant to this policy. Team Members are only eligible for paid Parental Leave under this policy once every twenty-four (24) months.

You must provide Human Resources and your supervisor with reasonable written notice of any intent to take leave. Written notice must include the expected starting date of the leave and its estimated duration. A doctor's note may be required.

This leave may run concurrently with the federal Family and Medical Leave Act and/or any other leave where permitted by state and federal law. If you participate in the Company's medical plan, continued coverage as active or COBRA will be governed by the terms of the medical plan.

The Company prohibits Team Members from holding other employment, including selfemployment, while on leaves of absence, including Parental Leave. Violation of this policy may result in disciplinary action, up to and including immediate termination of employment.

# **JURY DUTY**

All Team Members are to notify their manager immediately if they are called for Jury Duty. If you are selected for Jury Duty, you will be granted a leave of absence.

While serving on a jury, you will be paid up to 80 hours of your regular hourly rate for a normal work shift. You must return to work within one hour after being excused from service as a juror or forfeit the right to payment for all or any portion of the day for which you failed to return. This requirement is waived when you are excused from service as a juror within two hours of the end of your regularly scheduled workday.

Jury duty doesn't count as time worked for purpose of calculating overtime.

#### **VOTING**

The Company believes that every Team Member should have the opportunity to vote in any federal or state election, general primary or special primary. Any Team Member whose work schedule does not provide them three (3) consecutive hours to vote while polls are open will be granted up to three (3) paid hours off to vote. If you have a problem in this regard, please let your supervisor know as soon as possible so that we can make arrangements for you to have the necessary amount of time to get to the polls. Management may specify the hours during which leave can be taken. Upon returning from leave, Management may require you to provide proof of having voted, such as a voting sticker.

# **COURT ATTENDANCE AND WITNESS DUTY**

The Company provides necessary unpaid leave to Team Members who are subpoenaed to attend, participate in, or prepare for court proceedings in accordance with applicable law. Team Members who receive a subpoena or summons to appear in court should notify Human Resources immediately so that Management may plan work with as little disruption as possible. You are expected to report for work whenever the court schedule permits.

#### **CIVIL AIR PATROL LEAVE**

A Team Member who serves as a member of the civil air patrol and has qualified for a civil air patrol emergency service specialty or who is certified to fly counter narcotics missions is permitted up to fifteen (15) days of unpaid leave per calendar year to engage in the performance of civil air patrol emergency service duty or counter narcotics missions. Please provide the Company with as much advance notice of your need for leave as possible.

The Company has the right to request that the Team Member be exempted from responding to a specific mission, if necessary. For more information, please see your supervisor.

#### **VOLUNTEER EMERGENCY WORKER LEAVE**

Team Members who serve as a volunteer firefighter as defined by the Volunteer Firefighter Job Protection Act, a member of Missouri-1 Disaster Medical Assistance Team, Missouri Task Force One, Urban Search and Rescue Team, or being activated to a national disaster response by the Federal Emergency Management Agency (FEMA) are provided with unpaid leave when necessary to respond to an emergency call which is received prior to the time the Team Member is scheduled to report to work.

Team Members using this leave must make reasonable efforts to notify the Company of their service and must continue to make reasonable notification efforts over the course of any absence.

The Company may request a written statement from the supervisor or acting supervisor of the volunteer fire department or the commander of Missouri-1 Disaster Medical Assistance Team or the FEMA supervisor certifying that the Team Member responded to an emergency and stating the time and date of the emergency.

## **VICTIMS OF A CRIME LEAVE**

The Company will grant reasonable and necessary unpaid leave from work to Team Members who are victims of a crime to attend or participate in legal proceedings pertaining to the crime. Affected Team Members must give the Company reasonable notice that leave under this policy is required.

## **BREAKS FOR NURSING MOTHERS**

The Company will provide a reasonable amount of break time to accommodate a female Team Member's need to express breast milk for the Team Member's infant child up to one (1) year of age, unless applicable law required a more extended period. The break time should, if possible, be taken concurrently with other break periods already provided. The Company does not pay for lactation breaks except where required by law. The Company will make a reasonable effort to provide the Team Member with the use of a room or other location in close proximity to the Team Member's work area, for the Team Member to express milk in private.

# DOMESTIC AND SEXUAL VIOLENCE LEAVE AND ACCOMMODATIONS

A Team Member who is a victim of domestic or sexual violence or whose family or household member is a victim of domestic or sexual violence, will be provided with up two (2) workweeks of unpaid leave during a 12-month period to:

- 1. Seek medical attention or recover from physical or psychological injuries caused by domestic or sexual violence for the Team Member or the Team Member's family or household member;
- 2. Obtain services from a victim services organization for Team Member or the Team Member's family or household member;
- 3. Obtain psychological or other counseling for the Team Member or the Team Member's family or household member;
- 4. Participate in safety planning, temporarily or permanently relocating, or taking other actions to increase their safety of the Team Member or the Team Member's family or household member from future domestic or sexual violence or to ensure economic security; or
- 5. Seek legal assistance or remedies to ensure the health and safety of the Team Member or the Team Member's family member or household member, including preparing for or

participating in any civil or criminal legal proceeding related to or derived from domestic or sexual violence.

In addition, we provide Team Members with reasonable safety accommodations for known limitations resulting from the Team Member's status as a victim of domestic violence or sexual violence, or a family or household member being a victim of domestic or sexual violence, as long as the accommodation does not impose an undue hardship on the Company.

Depending upon the specific facts and circumstances of the situation, a reasonable safety accommodation may involve adjustment to a job structure, workplace facility, or work requirement, including but not limited to: transfer, reassignment, modified work schedule, unpaid leave, a changed telephone number or seating assignment, installation of a lock, implementation of a safety procedure, or assistance in documenting domestic violence that occurs at the workplace or in work-related settings in response to actual or threatened domestic violence. Exigent circumstances or danger facing the Team Member or their family or household member may be considered in determining whether an accommodation is reasonable.

#### **Definitions**

For purposes of this policy, the following definitions apply:

"Family and household members" include the Team Member's spouse, parent, son or daughter, blood relatives, person related by present or previous marriage, person who shares a relationship with the Team Member through a son or daughter, or person residing in the same household whose interests are not adverse to the Team Member as it relates to the domestic or sexual violence at issue.

"Parent" includes a biological parent or individual who stood in place of parents (*in loco parentis*) to the Team Member.

"Son or daughter" is a biological, adopted, foster child, stepchild, legal ward, or a child of a person standing in place of parents (*in loco parentis*), who is under the age of eighteen (18) or older than eighteen (18) and not capable of self-care due to a mental or physical disability and is a victim of domestic or sexual violence.

#### 12-Month Period

The Company measures the twelve (12) month period in which leave is taken by the "rolling" twelve (12) month method, measured backward from the date of any leave.

#### Use of Leave

Where necessary, leave may be used on an intermittent or reduced schedule basis. Depending on the purpose of your leave request, you may choose (or the Company may require you) to use

accrued paid leave (such as sick leave, vacation, or PTO), concurrently with some or all of your leave under this Policy.

# **Notice and Scheduling**

The Team Member must provide at least forty-eight (48) hours' notice of the Team Member's intent to take leave under this policy, unless providing such notice is not practicable. Where advanced notice is impracticable, Team Members must provide notice as soon as possible.

The Company may also require Team Members to keep the Company apprised on the status of their leave and anticipated return to work.

#### Certification

The Company may require Team Members to provide documentation supporting their need for leave.

#### **Maintenance of Benefits**

If you and/or your family participate in our group health insurance benefits, the Company will maintain coverage during your leave on the same terms as if you had continued to work. If applicable, you must make arrangements to pay your share of health plan premiums while on leave. Use of leave will not result in the loss of any employment benefit that accrued prior to the start of your leave.

#### Reinstatement

Upon return from leave, the Team Member will be restored to the same or an equivalent position.

#### **Confidentiality**

The Company will keep all information provided by a Team Member concerning leave, strictly confidential, including the Team Member's request and approval for leave, the fact that the Team Member or Team Member's family member was involved in a domestic incident, and documentation supporting the need for leave, except to the extent otherwise required or allowed by law.

## **Prohibition Against Discrimination or Retaliation**

The Company will not discriminate or retaliate against the Team Member for exercising their rights under this policy.

#### FAMILY AND MEDICAL LEAVE OF ABSENCE

The Family and Medical Leave Act ("FMLA") provides eligible Team Members the opportunity to take unpaid, job-protected leave for certain specified reasons. The maximum amount of leave a

Team Member may use is either twelve (12) or twenty-six (26) weeks within a 12-month period depending on the reasons for the leave.

#### **FMLA Questions or Concerns**

While our FMLA policy provides a great deal of information, FMLA still can be a confusing process. If you have questions or concerns about your eligibility for FMLA or if you believe that your manager or Company contact is not properly handling FMLA, immediately report the question or concern to Human Resources.

#### **Employee Eligibility**

To be eligible for FMLA leave, you must:

- 1. have worked at least twelve (12) months for the Company in the preceding seven (7) years (limited exceptions apply to the seven-year requirement);
- 2. have worked at least 1,250 hours for the Company over the preceding twelve (12) months; and currently work at a location where there are at least fifty (50) employees within seventy-five (75) miles;
- 3. All periods of absence from work due to or necessitated by service in the uniformed services are counted in determining FMLA eligibility.

## **Conditions Triggering Leave**

FMLA leave may be taken for the following reasons:

- 1. birth of a child, or to care for a newly-born child (up to twelve (12) weeks);
- 2. placement of a child with the Team Member for adoption or foster care (up to twelve (12) weeks);
- 3. to care for an immediate family member (employee's spouse, child, or parent) with a serious health condition (up to twelve (12) weeks):
- 4. because of the Team Member's serious health condition that makes them unable to perform their job (up to twelve (12) weeks);
- 5. to care for a Covered Servicemember with a serious injury or illness related to certain types of military service (up to twenty-six (26) weeks) (see Military-Related FMLA Leave below for more details); or
- 6. to handle certain qualifying exigencies arising out of the fact that the Team Member's spouse, son, daughter, or parent is on duty under a call or order to active duty in the Armed Forces (e.g., National Guard or Reserves) in support of a contingency operation (up to twelve (12) weeks) (see Military-Related FMLA Leave below for more details).

The maximum amount of leave that may be taken in a 12-month period for all reasons combined is twelve (12) weeks, with one exception. For leave to care for a Covered Servicemember, the maximum combined leave entitlement is twenty-six (26) weeks, with leaves for all other reasons constituting no more than twelve (12) of those twenty-six (26) weeks.

#### **Definitions**

A "Serious Health Condition" is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the Team Member from performing the functions of the Team Member's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement includes an incapacity of more than three (3) full calendar days and two (2) visits to a health care provider or one (1) visit to a health care provider and a continuing regimen of care; an incapacity caused by pregnancy or prenatal visits, a chronic condition, or permanent or long-term conditions; or absences due to multiple treatments. Other situations may meet the definition of continuing treatment.

## **Identifying the 12-Month Period**

The Company measures the 12-month period in which leave is taken by the "rolling" 12-month method, measured backward from the date of any FMLA leave with one exception. For leave to care for a covered servicemember, the Company calculates the 12-month period beginning on the first day the eligible Team Member takes FMLA leave to care for a covered servicemember and ends twelve (12) months after that date. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within twelve (12) months of the birth or placement.

## **Using Leave**

Eligible employees may take FMLA leave in a single block of time, intermittently (in separate blocks of time), or by reducing the normal work schedule when medically necessary for the serious health condition of the Team Member or immediate family member, or in the case of a covered servicemember, his or her injury or illness. Eligible Team Members may also take intermittent or reduced-scheduled leave for military qualifying exigencies. Intermittent leave is not permitted for birth of a child, to care for a newly-born child, or for placement of a child for adoption or foster care. Team Members who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt the Company's operations.

#### **Use of Accrued Paid Leave**

Depending on the purpose of your leave request, you may choose (or the Company may require you) to use accrued paid leave (such as sick leave, vacation, or PTO), concurrently with some or all of your FMLA leave. To substitute paid leave for FMLA leave, an eligible Team Member must comply with the Company's normal procedures for the applicable paid-leave policy (e.g., call-in procedures, advance notice, etc.).

#### **Maintenance of Health Benefits**

If you and/or your family participate in our group health plan, the Company will maintain coverage during your FMLA leave on the same terms as if you had continued to work. If applicable, you must make arrangements to pay your share of health plan premiums while on leave. In some

instances, the Company may recover premiums it paid to maintain health coverage or other benefits for you and your family. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of your leave.

#### **Notice and Medical Certification**

When seeking FMLA leave, you are required to provide:

1. sufficient information for us to determine if the requested leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that you are unable to perform job functions, a family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. You must also inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified.

If the need for leave is foreseeable, this information must be provided thirty (30) days in advance of the anticipated beginning date of the leave. If the need for leave is not foreseeable, this information must be provided as soon as is practicable and in compliance with the Company's normal call-in procedures, absent unusual circumstances.

- 2. medical certification supporting the need for leave due to a serious health condition affecting you or an immediate family member within 15 calendar days of Reed Automotive's request to provide the certification (additional time may be permitted in some circumstances). If you fail to do so, we may delay the commencement of your leave, withdraw any designation of FMLA leave or deny the leave, in which case your leave of absence would be treated in accordance with our standard leave of absence and attendance policies, subjecting you to discipline up to and including termination. Second or third medical opinions and periodic re-certifications may also be required;
- 3. periodic reports as deemed appropriate during the leave regarding your status and intent to return to work; and
- 4. medical certification of fitness for duty before returning to work, if the leave was due to your serious health condition. The Company will require this certification to address whether you can perform the essential functions of your position.

Failure to comply with the foregoing requirements may result in delay or denial of leave, or disciplinary action, up to and including termination.

# **Employer Responsibilities**

To the extent required by law, the Company will inform Team Members whether they are eligible under the FMLA. Should a Team Member be eligible for FMLA leave, the Company will provide

them with a notice that specifies any additional information required as well as the Team Member's rights and responsibilities. If Team Members are not eligible, the Company will provide a reason for the ineligibility. The Company will also inform Team Members if leave will be designated as FMLA-protected and, to the extent possible, note the amount of leave counted against the Team Member's leave entitlement. If the Company determines that the leave is not FMLA-protected, the Company will notify the Team Member.

#### **Job Restoration**

Upon returning from FMLA leave, eligible Team Members will typically be restored to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

# Failure to Return After FMLA Leave

Any Team Member who fails to return to work as scheduled after FMLA leave or exceeds the 12-week FMLA entitlement (or in the case of military caregiver leave, the 26-week FMLA entitlement), will be subject to the Company's standard leave of absence and attendance policies. This may result in termination if you have no other Company-provided leave available to you that applies to your continued absence. Likewise, following the conclusion of your FMLA leave, the Company's obligation to maintain your group health plan benefits ends (subject to any applicable COBRA rights).

## **Other Employment**

The Company generally prohibits Team Members from holding other employment. This policy remains in force during all leaves of absence including FMLA leave and may result in disciplinary action, up to and including immediate termination of employment.

#### **Fraud**

Providing false or misleading information or omitting material information in connection with an FMLA leave will result in disciplinary action, up to and including immediate termination.

## MILITARY-RELATED FMLA LEAVE

FMLA leave may also be available to eligible Team Members in connection with certain service-related medical and non-medical needs of family members. There are two forms of such leave. The first is Military Caregiver Leave, and the second is Qualifying Exigency Leave. Each of these leaves is detailed below.

#### **Definitions**

A "covered servicemember" is either: (1) a current servicemember of the Armed Forces, including a member of the National Guard or Reserves, with a serious injury or illness incurred in the line of duty for which the servicemember is undergoing medical treatment, recuperation, or therapy, is

otherwise in outpatient status, or is otherwise on the temporary disability retired list; or (2) a "covered veteran" who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

A "covered veteran" is an individual who was discharged under conditions other than dishonorable during the five-year period prior to the first date the eligible Team Member takes FMLA leave to care for the covered veteran. The period between October 28, 2009 and March 8, 2013 is excluded in determining this five-year period.

The FMLA definitions of "serious injury or illness" for current servicemembers and veterans are distinct from the FMLA definition of "serious health condition." For current servicemembers, the term "serious injury or illness" means an injury or illness that was incurred by the member in the line of duty while on active duty in the Armed Forces or that existed before the beginning of active duty and was aggravated by such service, that may render them medically unfit to perform the duties of their office, grade, rank or rating.

For covered veterans, this term means a serious injury or illness that was incurred in the line of duty while on active duty in the Armed Forces or that existed before the beginning of active duty and was aggravated by such service and manifested itself before or after the individual assumed veteran status, and is: (1) a continuation of a serious injury or illness that was incurred or aggravated when they were a member of the Armed Forces and rendered them unable to perform the duties of their office, grade, rank or rating; (2) a physical or mental condition for which the covered veteran has received a VA Service Related Disability Rating (VASRD) of 50 percent (50%) or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; (3) a physical or mental condition that substantially impairs the veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would be so absent treatment; or (4) 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.

"Qualifying exigencies" include activities such as short-notice deployment, military events, arranging alternative childcare, making financial and legal arrangements related to the deployment, rest and recuperation, counseling, parental care, and post-deployment debriefings.

#### **Military Caregiver Leave**

Unpaid Military Caregiver Leave is designed to allow eligible Team Members to care for certain family members who have sustained serious injuries or illnesses in the line of duty while on active duty. Military Caregiver Leave is a special leave entitlement that permits eligible Team Members to take up to twenty-six (26) weeks of leave to care for a covered servicemember during a single twelve (12) month period.

To be "eligible" for Military Caregiver Leave, the Team Member must be a spouse, son, daughter, parent, or next of kin of the covered servicemember. "Next of kin" means the nearest blood relative of the servicemember, other than the servicemember's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the

servicemember by court decree or statutory provisions; brothers and sisters; grandparents; aunts and uncles; and first cousins; unless the servicemember has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of Military Caregiver Leave. The Team Member must also meet all other eligibility standards as set forth within the FMLA Leave policy.

An eligible Team Member may take up to twenty-six (26) workweeks of Military Caregiver Leave to care for a covered servicemember in a "single 12-month period." The "single 12-month period" begins on the first day leave is taken to care for a covered servicemember and ends 12 months thereafter, regardless of the method used to determine leave availability for other FMLA-qualifying reasons. If a Team Member does not exhaust his or her twenty-six (26) workweeks of Military Caregiver Leave during this "single 12-month period," the remainder is forfeited.

Military Caregiver Leave applies on a per-injury basis for each servicemember. Consequently, an eligible Team Member may take separate periods of caregiver leave for each and every covered servicemember, and/or for each and every serious injury or illness of the same covered servicemember. A total of no more than twenty-six (26) workweeks of Military Caregiver Leave, however, may be taken within any "single 12-month period."

Within the "single 12-month period" described above, an eligible Team Member may take a combined total of twenty-six (26) weeks of FMLA leave including up to 12 weeks of leave for any other FMLA-qualifying reason (i.e., birth or adoption of a child, serious health condition of the Team Member or close family member, or a qualifying exigency). For example, during the "single 12-month period," an eligible Team Member may take up to 16 weeks of FMLA leave to care for a covered servicemember when combined with up to 10 weeks of FMLA leave to care for a newborn child.

A Team Member seeking Military Caregiver Leave may be required to provide appropriate certification from the Team Member and/or covered servicemember and completed by an authorized health care provider within 15 days. Military Caregiver Leave is subject to the other provisions in our FMLA Leave Policy (requirements regarding Team Member eligibility, appropriate notice of the need for leave, use of accrued paid leave, etc.). Military Caregiver Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

# **Qualifying Exigency Leave**

Eligible Team Members may take unpaid "Qualifying Exigency Leave" to tend to certain "exigencies" arising out of the covered active duty or call to covered active duty status of a "military member" (i.e. the employee's spouse, son, daughter, or parent). Up to 12 weeks of Qualifying Exigency Leave is available in any 12-month period, as measured by the same method that governs measurement of other forms of FMLA leave within the FMLA policy (with the exception of Military Caregiver Leave, which is subject to a maximum of twenty-six (26) weeks of leave in a "single 12-month period"). Although Qualifying Exigency Leave may be combined with leave for other FMLA-qualifying reasons, under no circumstances may the combined total exceed 12 weeks in any 12-month period (with the exception of Military Caregiver Leave as set

forth above). The Team Member must meet all other eligibility standards as set forth within the FMLA policy.

Persons who can be ordered to active duty include active and retired members of the Regular Armed Forces, certain members of the retired Reserve, and various other Reserve members including the Ready Reserve, the Selected Reserve, the Individual Ready Reserve, the National Guard, state military, Army Reserve, Navy Reserve, Marine Corps Reserve, Air National Guard, Air Force Reserve, and Coast Guard Reserve.

A call to active duty refers to a *federal* call to active duty, and *state* calls to active duty are not covered unless under order of the President of the United States pursuant to certain laws.

Qualifying Exigency Leave is available under the following circumstances:

- 1. Short-Notice Deployment. To address any issue that arises out of short notice (within seven (7) days or less) of an impending call or order to covered active duty.
- 2. Military Events And Related Activities. To attend any official military ceremony, program, or event related to covered active duty or call to covered active duty status or to attend certain family support or assistance programs and informational briefings.
- 3. Childcare and School Activities. To arrange for alternative childcare; to provide childcare on an urgent, immediate need basis; to enroll in or transfer to a new school or daycare facility; or to attend meetings with staff at a school or daycare facility.
- 4. Financial and Legal Arrangements. To make or update various financial or legal arrangements; or to act as the covered military member's representative before a federal, state, or local agency in connection with service benefits.
- 5. Counseling. To attend counseling (by someone other than a health care provider) for the Team Member, for the military member, or for a child or dependent when necessary as a result of duty under a call or order to covered active duty.
- 6. Temporary Rest and Recuperation. To spend time with a military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible Team Members may take up to 15 calendar days of leave for each instance of rest and recuperation.
- 7. Post-Deployment Activities. To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of up to ninety (90) days following termination of the military member's active duty status. This also encompasses leave to address issues that arise from the death of a military member while on active duty status.
- 8. Parental Care. To care for the military member's parent who is incapable of self-care. The parent must be the military member's biological, adoptive, step, or foster father or mother, or any other individual who stood in place of parents (*in loco parentis*) to the military member when the member was under 18 years of age.
- 9. Mutually Agreed Leave. Other events that arise from the military member's duty under a call or order to active duty, provided that the Company and the Team Member agree that such leave will qualify as an exigency and agree to both the timing and duration of such leave.

A Team Member seeking Qualifying Exigency Leave may be required to submit appropriate supporting documentation in the form of a copy of the military member's active duty or rest and recuperation orders or other military documentation indicating the appropriate military status and the dates of active duty status, along with a statement setting forth the nature and details of the specific exigency, the amount of leave needed and the Team Member's relationship to the military member, within fifteen (15) days. Qualifying Exigency Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

#### **Limited Nature of This Policy**

This Policy should not be construed to confer any express or implied contractual relationship or rights to any Team Member not expressly provided for by FMLA. The Company may modify this or any other policy as necessary, in its sole discretion to the extent permitted by law. State or local leave laws may also apply.

#### Failure to Return from Leave or to Comply with Company Policy

Team Members may be subject to immediate termination for:

- 1. Failing to return to work as scheduled following the end of a leave;
- 2. Providing false or misleading information or omitting certain information in connection with a leave;
- 3. Violation of any of the Company's rules and regulations relating to leave; or
- 4. Violation of any Company policy or performance standard.

#### **Workers' Compensation**

If a Team Member is away from work due to a Workers' Compensation injury or illness and is also eligible for FMLA, the two types of leave will run concurrently.

#### **MILITARY LEAVE OF ABSENCE**

We are proud that some of our Team Members are members of the U.S. Reserve or the National Guard, and we thank you for your service to our country. If you need time off to fulfill your military obligation, whether it is over a weekend or for a longer period, please let your manager know as far in advance as possible and give him or her a copy of your orders. Your job will be protected during your absence and you will be afforded all of the benefits provided by state and federal law.

# WHAT WE EXPECT OF YOU

#### **ACCEPTING GIFTS FROM OUTSIDE THE COMPANY**

Team Members may not request or accept any gift or gratuity from a customer or supplier without the express written authorization of the Owner. The only exceptions are small gifts of nominal value such as candy, cards, cookies, but such nominal gifts must be reported to your Department Manager.

#### **ATTENDANCE**

Each of our Team Members plays an important role in getting the day's work done. Absenteeism or tardiness, even for good reasons, is disruptive to our operations and interferes with our ability to satisfy our customers' needs. Therefore, every Team Member is expected to be at work on time each day. Excessive absenteeism or tardiness can result in discipline up to and including discharge.

If you are going to be late or absent from work for any reason, you must <u>personally</u> notify your manager as far in advance as possible so that proper arrangements can be made to handle your work during your absence. Leaving a voicemail with the receptionist or sending a text message does not qualify as notifying your manager. You must <u>personally</u> call your manager <u>each day</u> you are going to be late or absent.

If you unexpectedly need to be absent from or late to work, you must personally notify your Manager by phone call at least two (2) hours prior to the start of your scheduled workday and provide the reason for the absence or tardiness. Your attendance record is a part of your overall performance rating. Your attendance may be included during your review and may be considered for other disciplinary action, up to and including termination.

Two (2) one (1) day incidents of no call, no show in any twelve (12) month period will result in termination of employment.

## **AUTHORIZED USE OF PRESCRIPTION MEDICINE**

If a Team Member is taking a prescribed drug under doctor's orders, which may alter their physical or mental ability, they must report this treatment to Human Resources immediately.

#### **CONFIDENTIALITY**

In performing your job, you may come into contact with or have access to a wide variety of customer information. All personal information that we obtain concerning a customer whether directly from the customer or through a credit report is to be treated as <u>strictly confidential</u> and may only be used for the legitimate business purposes directly related to our sale or lease of a vehicle. Federal law and good business practices require that we carefully safeguard this information from disclosure to any unauthorized person whether in this Company or outside. To accomplish this, we have adopted detailed policies concerning the proper handling, safeguarding, and destruction of customer information. Be familiar with these policies. If you are not sure what to do with this information, ask your Department Manager. <u>Never</u> leave customer information on

your desk unattended. <u>Never</u> leave it in an unlocked office. <u>Never</u> provide it to another Team Member or someone outside our Company unless that individual has a legitimate business "need to know." <u>Never</u> remove it from the Company in paper or electronic format. <u>Always</u> treat our customers' personal information as you would treat your own personal information.

Company financial data and other non-public proprietary information related to our business operations is also to be treated as strictly confidential. Such information includes, but is not limited to, our monthly financial statements, current and historical sales figures, CSI data, information concerning current and prospective customers and lease customers, inventory lists, vehicle invoices, contracts and other financial arrangements with our vendors and finance sources, information concerning our performance relative to other dealerships, and information related to our relationship with our manufacturers. This information may not be disclosed to any other dealership Team Member except on a "need to know" basis. Nor may it be disclosed to any person or entity outside the Company. All such information, whether in electronic or paper format, must be returned promptly when you leave our employment. Failing to return this information, removing it from our premises or using it while working for another employer is considered theft of Company property and a violation of the federal Computer Fraud and Abuse Act and will be dealt with as such.

If you have <u>any</u> questions as to what is covered by this policy or what is to be treated as "confidential," ask your Department Manager for clarification <u>before</u> you disclose it to anyone.

#### **CONFLICT OF INTEREST**

We prohibit all Team Members from engaging in any conduct which represents an actual or potential conflict of interest. Engaging in any activity at or away from work that competes with our Company is a violation of this policy. This includes purchasing, selling, or repairing vehicles for our customers or potential customers for personal profit except as a part of your job with us. Team Members are also prohibited from purchasing or accepting as a gift any vehicle from a customer, without the prior permission of the General Manager. Performing service or repair work on a personal vehicle which is titled in your name or a family member's name is not considered to be for personal profit and is permitted. Team Members are strictly prohibited from becoming involved in any way with any transaction involving a vehicle which is not officially in our inventory.

We also prohibit Team Members from engaging in any kind of financial transaction with the Company – directly or indirectly – without <u>full disclosure</u>. If you think that there is a possibility that you may have a conflict in this regard, it is <u>your</u> responsibility to discuss this with your Department Manager.

No Team Member or Department Manager may request or accept any gift or gratuity of any kind from a customer, supplier, wholesaler, broker, auction operator, or vendor without the knowledge and express authorization of the General Manager. If you are offered any form of "rebate," gift, or gratuity by a company or individual with whom the Company does business, you must promptly report the matter in writing to the Operations Manager.

This policy also prohibits Team Members from engaging in any form of personal business for financial gain while at work or on Company time. This includes requesting or accepting any form of referral fee from any company or individual. Full-time Team Members are normally prohibited

from performing services in a "consultant" capacity, unless full disclosure has been made and the work approved by the General Manager.

Finally, Department Managers and supervisors are strictly prohibited from engaging in any kind of financial transaction with a subordinate, whether at or away from work. This includes both borrowing and lending money, buying or selling vehicles or other personal property, renting apartments or homes, employing a subordinate to perform work not related to the Company's business either during or after work hours, etc. Any exception to this rule must be approved in writing in advance by the General Manager.

#### **CREDIT BUREAU REPORTS**

Credit Bureau reports will only be obtained in accordance with the requirements of federal and state law. No Team Member may pull a credit report on any customer unless the customer has signed a credit application authorizing the credit report. If the customer intends to use a cosigner, the cosigner must also sign a credit application before a credit report is pulled. Credit bureau reports may not be pulled on anyone other than a <u>bona fide</u> customer.

#### **CUSTOMER COMMUNICATION**

All contact with customers or vendors should be completed through the company phone system or email system. All communication information belongs to the company, and all telephone calls both incoming and outgoing are recorded.

Under no circumstance should personal cell phone numbers or personal email addresses be given to customers. If you prefer to have your desk phone ring to your cell phone, please take advantage of the company provided, mobile-app.

#### **DAMAGE TO VEHICLES**

When an accident occurs involving a Team Member in a customer's vehicle or a vehicle owned by the company causing or not causing damage, that Team Member is expected to report the accident immediately. A post-accident substance abuse test will be required regardless of who is at fault.

#### **DISCIPLINE**

High standards of personal conduct in the workplace are necessary for us to maintain a pleasant and rewarding atmosphere for our Team Members, and to meet the expectations of our customers. Because of this, it is imperative that you know the rules of conduct that each and every Team Member must abide by. Discipline will be based on a number of factors, including the severity of the violation and your previous disciplinary record. The Company may move directly to a termination without a warning based upon the severity of the offense. Discipline may range from verbal counseling to immediate dismissal. This process is called progressive disciplinary action and is designed to help you understand what we expect and to give you the help you need to improve your job performance.

Generally, the Company follows progressive discipline as follows:

- Verbal warning
- 1st written warning
- Probation or Suspension
- Final, written warning
- Termination of employment

Being placed in progressive disciplinary action does not guarantee that you will be put through each successive step and it does not guarantee that you will be given a verbal warning, written warning and final written warning or be placed on probation prior to termination.

#### DRUG AND ALCOHOL FREE WORKPLACE

The Team Members of the Company are committed to having a drug and alcohol-free workplace and to complying with all applicable laws including the Federal Drug-Free Workplace Act and relevant state laws. For purposes of this policy and due to the safety sensitive nature of our business and the positions we employ, "drugs," as defined by the Federal Government, means drugs such as marijuana (including medical marijuana or that which is obtained legally under state law), cocaine, and methamphetamine, as well as prescription drugs used by a person who does not have a valid current prescription for such drug.

As a condition of initial and continued employment, the Company prohibits you from reporting to work or performing your duties with any drugs or alcohol in your system. You are also prohibited from using, consuming, possessing, manufacturing, selling, trading, distributing, dispensing or making arrangements or offering to distribute drugs or alcohol while at work, while performing or attempting to perform job duties, off site at training or meetings, on Company or customer property (including personal vehicles onsite), during lunch or breaks, or in Company vehicles. Furthermore, the Company prohibits all drug use, possession, or distribution, whether on or off duty – drugs can stay in your system and impact your ability to perform your job duties at a later date.

To enforce this policy, the Company may, at any time where permissible, require as a condition of initial or continued employment, any applicant or Team Member to submit to a physical examination and/or urine, breath, blood, or other type of test to determine the presence of drugs or alcohol in their system. The Company may conduct, and the Team Member shall be required to submit to, alcohol or drug testing following an injury suffered in the course and scope of employment for which benefits may be due pursuant to the Workers' Compensation Law of Missouri, Kansas, or any other jurisdiction. The other possible occasions for drug testing include, but are not limited to:

- When the Company has a reasonable suspicion that you have violated the Drug and Alcohol Policy;
- Pre-employment and re-employment testing;
- When you suffer or contribute to an on-the-job injury or are involved in or contribute to an accident and it's possible this policy may have been violated;
- When you seek a transfer or promotion, or return from a suspension or a leave of absence;

- As part of any random program of testing which the Company might implement; or
- As part of a periodic testing program which may be required based upon your position.

The Company may conduct alcohol testing when it has a reasonable suspicion that you have violated the Drug and Alcohol Policy, including accidents suggesting carelessness, disregard of safety rules or other conduct indicating a possible violation of the Drug and Alcohol Policy. Any Team Member who suspects another of drug or alcohol use, or any violation of this policy, should report it to Human Resources.

Alcoholic beverages may be available for consumption at certain business-related events, meetings and social occasions, as well as industry meetings and conferences. The purchase and/or consumption of alcohol at these events does not violate this policy. However, you may not be under the influence of alcohol such that judgment and/or job performance is impaired, offensive and/or unprofessional conduct occurs, or other Company policies are violated.

Although the proper use of medication is not prohibited, the abuse of prescription medication may subject you to disciplinary action up to and including immediate termination. Further, you should consult with a Company-designated physician, or Human Resources, if you are legitimately taking medication which you have reason to believe may affect safety or performance. This includes but is by no means limited to prescription opioid medications such as OxyContin, Percocet, Vicodin, Lortab, Codeine, Morphine, Fentanyl, and other similar medications. Any prescription medication brought onto or into Company or customer property (including vehicles) must be retained in its original container labeled with the original pharmacy label. You may not take another person's prescription medication. This policy treats the abuse of prescription medication as drug use and a violation of this policy.

# Any violation of the rules set forth in this policy will result in immediate termination of current employees or disqualification of applicants. These rules include but are not limited to:

- A confirmed positive test indicating being under the influence of alcohol or the presence of drugs in your system;
- Refusal to submit to or cooperate with the Company in any test, search or investigation, or to execute any paperwork or consent forms necessary for examinations or tests;
- Possession of, distribution of, or consumption of drugs, unauthorized alcohol, or drug paraphernalia while on Company premises or when working or attempting to work regardless of location;
- Tampering with, adulterating, or diluting a test sample; or
- Improper conduct while working. Further, improper conduct off duty may result in discipline, up to and including immediate termination of current Team Members or disqualification of an applicant.

#### **Unemployment and Workers' Compensation Benefits**

Team Members who refuse to submit to a test or test positive for alcohol or drugs may be disqualified for unemployment benefits. Team Members who refuse to submit to a test or test positive for alcohol or drugs following a workplace injury may be disqualified for workers' compensation benefits.

If a workplace injury has occurred in conjunction with the use of alcohol or drugs, workers' compensation and/or death benefits shall be reduced by fifty percent (50%). If a Team Member's use of alcohol or drugs is the proximate cause of the injury, then workers' compensation and/or death benefit will be forfeited.

#### **Drug and/or Alcohol Related Convictions**

Team Members must notify the Company of any criminal drug statute conviction for a violation occurring within the workplace no later than five (5) days after the conviction. Team Members must also notify the Company for any driving infraction (DWI or DUI), including drugged driving, that impacts a Team Member's insurability with the Company.

#### Marijuana

While Missouri has legalized marijuana for medicinal and recreational purposes, the Company is not required to allow the use of marijuana in the workplace for any reason. Marijuana possession and its use are strictly prohibited on Company property and premises, including in personal vehicles parked on the Company's lot. Any employee who fails a drug test for marijuana may be subject to discipline, up to and including termination, unless otherwise limited by applicable law.

#### **Seeking Help**

If you want to seek help for drug or alcohol problems prior to being found in violation of the Company's Drug and Alcohol Policy, or being asked to undergo a test, you may seek information from Human Resources. The Company will treat information, such as drug test results and use of prescription medication, acquired as a result of this program, as confidential unless otherwise required by law.

#### **HANDS FREE**

Team Members are not permitted to make or receive cell phone calls, read or send texts, or engage in any form of electronic data retrieval of data communication using a handheld electronic device while they are operating a vehicle. Team Members are further not permitted to record, post, or broadcast video on an electronic communication device or otherwise physically hold or support an electronic communication device with any other part of their body while operating a motor vehicle. If you need to make or receive a cell phone call, pull over in a safe location and stop.

Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, Team Members are required to pull over to the side of the road and safely stop the vehicle before using any handheld device. Under no circumstances are Team Members allowed to place themselves or anyone else at risk to fulfill business needs. Use of an electronic communication device by the driver is prohibited in all Company or customer vehicles and while performing Company business.

Team Members who are charged with traffic violations resulting from the use of their handheld devices while driving will be solely responsible for all liabilities that result from such actions. Team Members who violate this policy will be subject to disciplinary action, up to and including termination.

#### **INFORMATION TECHNOLOGY**

Our companies rely on telephone, computers and the internet to perform many of our business transactions. At times malfunctions in these systems may cause the loss or degradation in these systems or our ability to use them. Should this happen, please email our IT Department with the issue. IT@ReedAuto.com

If your issue is with the Company operating system, contact your Manager.

All of our telephone conversations with outside lines are recorded conversations, if you have a conversation with someone on our phone system, remember this it can be accessed and listened to at any time. Therefore, Team Members should have no expectations of privacy on Company equipment or systems.

#### **INTERNET POLICY**

Team Members who have access to the Internet at our Company may use the Internet for business purposes during working hours. In order to ensure compliance with this policy, we reserve the right to monitor the web sites that our Team Members visit via our computers. The use of Company computers to trade securities, gamble, shop, view or download sexually explicit materials or for any other improper purpose while at work or on Company premises is grounds for termination. Nothing contained herein will preclude a Team Member from engaging in conduct that is protected by Section 7 of the National Labor Relations Act.

#### IRS CASH REPORTING REQUIREMENTS

To prevent those involved in illegal activities from laundering their money through legitimate transactions, Federal law requires that any time we accept \$10,000 or more in cash from a customer in connection with the sale or lease of any vehicle, we must file a report with the Internal Revenue Service. The law also covers transactions involving a series of payments that are each <u>less</u> than \$10,000 in cash but which in the aggregate exceed \$10,000.

Failure to comply with these reporting requirements can result in criminal and civil penalties of up to \$100,000. In addition, it is a felony to aid in structuring a transaction to avoid these reporting requirements.

Therefore, you are not to discuss this cash reporting rule with any customer or potential customer. If a customer asks about the reporting requirement or asks about structuring the transaction to avoid the \$10,000 cash transaction amount, you are required to notify the General Manager or the General Sales Manager immediately. In addition, if you have any reason to believe that the transaction may involve "drug money" or money from other illegal activities, you are also required to notify the General Manager. Finally, if you have any questions at all as to what the law requires or what we expect of you, please discuss them with your manager.

It is the policy of this Company to comply with the letter as well as the intent of this law. Any Team Member who violates this policy is subject to immediate termination and possible criminal prosecution.

#### **KEYS**

Team Members who lose keys will be expected to pay all costs associated with changing locks.

#### OPERATION OF CUSTOMER AND DEALERSHIP VEHICLES

- <u>Business Purposes Only</u>: No Team Member may operate a customer or Company vehicle unless authorized to do so as a part of his or her job. Vehicles may be used <u>only</u> for legitimate business purposes. The use of such vehicles for personal errands, even in conjunction with an actual demo ride or service test drive, is strictly prohibited. All demo rides and test drives must be limited to the approved routes unless a deviation is approved by the appropriate Department Manager in advance.
- <u>Safe Operation</u>: Team Members are required to wear seat belts and comply with all traffic regulations any time they are operating a customer or Company vehicle on the public roads.
   Team Members under the age of 18 may not, under any circumstances, drive a vehicle on the public roads.
- <u>Accidents</u>: Any Team Member who is involved in an accident while operating a customer
  or Company vehicle which results in personal injury or property damage of any kind, must
  notify the police and his or her supervisor or Department Manager as soon as reasonably
  possible. If a Team Member fails to report such injury or damage, the Team Member is
  subject to termination.
- <u>Driver's Liability</u>: Any Team Member who receives a traffic citation or parking fine while operating a customer or Company vehicle will be responsible for paying any penalty or fine.
- <u>Cell Phone Use</u>: Team Members are not permitted to make or receive cell phone calls while they are operating a customer or Company vehicle. If you need to make or receive a cell phone call, pull over in a safe location and stop. For more information, please see the Hands-Free Policy.
- <u>Demonstration Drives</u>: Salespersons will accompany customers on demonstration drives. The customer's driver's license should always be photocopied before beginning a demonstration drive. Salespersons shall not ask intrusive personal questions of a customer during a demonstration drive.

#### **OVERTIME**

The Company may periodically schedule mandatory overtime or weekend work in order to meet business or customer needs. We will attempt to give Team Members advance notice, if possible. We expect that all Team Members who are scheduled to work overtime will be at work, unless excused by their Department Manager. Failure to report for scheduled overtime work may result in discipline, up to and including immediate termination.

#### **Overtime Hours**

All hours worked in excess of forty (40) hours in a workweek are overtime hours. For purposes of calculating overtime hours, only actual hours worked will be counted. Paid time off (e.g. PTO, holidays) is not counted as hours worked for purposes of calculating overtime hours. If a state or other law requires overtime hours to be calculated in a different manner, we comply with the applicable law.

### **Overtime Compensation**

Overtime compensation varies depending on the Team Member's pay plan, job duties, and other regulatory factors. For example, our exempt Team Members paid on a salary basis normally do not receive extra pay for overtime hours. These Team Members' salaries are intended to compensate all of their hours worked in a workweek – not just forty (40) hours, or their scheduled or normal hours, or any other particular number of hours. Likewise, certain other Team Members not paid on a salary basis are exempt from overtime premium pay, so we pay those Team Members straight-time pay for overtime hours. Our non-exempt Team Members paid on an hourly basis receive straight-time pay plus half-time pay (the time-and-one-half their regular rate) for overtime hours. In any event, all overtime work will be paid properly and in compliance with applicable state and federal law.

Some exempt Team Members are paid on a commission-basis. Those Team Members' performance is evaluated over a representative period of one year to determine their exemption status. Team Members paid commissions may be exempt from receiving overtime premiums if they receive more than one-half of their earnings during a representative period from commissions.

Some non-exempt Team Members are paid on a salary-plus-overtime basis. How their overtime premium is computed is described in more detail in their pay plans.

All Team Members (other than exempt Team Members paid on a salary basis) must receive approval from their Department Manager prior to performing overtime work or they may be subject to disciplinary action up to and including immediate termination.

#### **PARKING AND TRAFFIC FLOW**

Parking areas are provided for the convenience of our Team Members. Your Manager will show you the Team Member designated parking area.

The Company is not responsible to damage or theft of your personal property brought to the Company. Protect your property by locking your car doors and securing your personal items. Courtesy and common sense in parking and driving will avoid accidents, personal injuries, and damage to your car and those of others. If you should accidentally damage another automobile on Company premises, report it along with the license number of the car you damaged to the General Manager.

The following safety guidelines should always be followed:

- Team Member vehicles should be parked according to their designated area. All Team Members assigned a company owned vehicle should use the exit closest to their assigned parking place.
- Customer owned cars or company vehicles driven by service technicians for test drive purposes should enter and exit via the closest exit available and accomplish test drives on public streets.
- All vehicles operated on Company premises by a Team Members will be operated in a safe manner not to exceed 10 mph at any time.

#### PERFORMANCE REVIEWS

Performance reviews are designed to help everyone understand their responsibilities and to evaluate job performance. The performance review is an opportunity for a Team Member and their Manager to measure past performance and establish future goals.

The first step in this process happens after 45 days of employment, with the Tune-Up meeting with your Manager to check-in, evaluate progress and review our Purpose, Mission and Values.

Performance reviews will be completed on or about the Team Member's one-year anniversary and then annually thereafter on the Team Member's anniversary date.

During this process you will be reviewed on the following:

- Honesty
- Work Ethic
- Teamwork
- Golden Rule
- Customer Service
- Performance
- Organizational Contribution
- Overall Rating

#### PERSONAL APPEARANCE, DRESS, AND HYGIENE

Team Members are expected to present a professional image, both through behavior and appearance. Accordingly, Team Members must wear work-appropriate attire during the workday or any time they are representing the company.

Clothing should be clean and neat in appearance – all Team Members are expected to wear clothes which are laundered and pressed. Team Members should consider their level of customer and public contact and the types of meetings they are scheduled to attend when determining what attire is appropriate. A business casual dress policy calls for all Team Members to use their best

judgement, while being comfortable in the workplace. Keep in mind that business casual does not mean weekend or sport casual.

Slacks or khakis are acceptable for all Team Members. Sales Team Members will wear the seasonal shirts on the set schedule adhered to at all Company locations. If you have questions about this schedule, please see your supervisor. Parts, service, and sales Team Members may wear Reed logo hats in black, white, or gray.

Team Members who are not part of the parts, service, or sales team may not wear hats while at work. Further, jeans, yoga pants, and any athletic or workout wear are not permitted. Printed t-shirts, sweatshirts, and revealing clothing is similarly prohibited.

All Team Members are expected to maintain appropriate oral and bodily hygiene. Hair (including facial hair) should be clean and neat. Accessories should not interfere with a Team Member's work. The excessive use of perfume or cologne is unacceptable, as are odors that are disruptive or offensive to others or may exacerbate allergies.

Any Team Member whose appearance does not meet these standards may be sent home to correct the problem and may be subject to further discipline. Of course, should anyone require special accommodation due to health matters, a possible disability, religious beliefs, or other important reasons, these matters should also be discussed with the Department Manager as the Company abides by all equal employment opportunities and philosophies.

#### PERSONAL RECORDS

To keep your records up to date, to ensure that the Company has the ability to contact you, and to ensure the appropriate benefits are available to you, we ask that you promptly update any change of your address, telephone number, marital status, change of dependents, change of name, change of beneficiary or any other personal information in the Human Resources Information System.

Changes made in the system will automatically notify Human Resources.

#### PERSONAL RELATIONSHIPS

Personal relationships between non-supervisory co-workers are permitted provided they are consensual and do not adversely affect the work performance of the parties involved or their co-workers. Because of concerns about favoritism and harassment, supervisors are strictly prohibited from dating or engaging in any kind of personal relationship with any Team Member of this Company.

Employment of family members and relatives will be considered on a case-by-case basis. In no case may a family member supervise the work of another family member nor may one family member be employed in a position where they could affect the compensation or advancement of the other.

Team Members are prohibited from engaging in any kind of personal relationship with a customer or from using any information obtained in the course of business to further a personal or social relationship.

#### PROTECTION OF CUSTOMER INFORMATION

Team Member acknowledges that they received a copy of, has read and agrees to comply with the Company's Information Security Procedure, and any amendments or additions to this policy that are implemented by the Company during Employee's employment with the Company. Specifically, Team Member shall not, at any time either during Employee's employment or following the termination of Employee's employment with the Company (whether voluntary or involuntary), share or disclose, or cause to be shared or disclosed, any "Personal Information" (as this term is defined in the Information Security Procedure) to any person or entity in violation of the Company's Information Security Procedure. Further, Team Member shall not view or access, or cause to be viewed or accessed, or remove from Company premises, computers, devices, servers, and networks any PI in violation of the Company's Information Security Procedure. Team Member agrees that Team Member will at all times strive to protect and secure all PI that Team Member may receive or have access to during the course of Employee's employment in compliance with the Company's Information Security Procedure. Team Member acknowledges and understands that any failure by Team Member to comply with the Company's Information Security Procedure, whether intentional or unintentional, will result in disciplinary action up to and including termination of Employee's employment with the Company.

#### **TATTOOS AND PIERCINGS**

As stated above, the Reed Automotive Group expects all Team Members to exercise appropriate judgment with regard to personal appearance, dress and grooming to be most effective in the performance of their workplace duties.

Team Members are not permitted to have visible body piercings while at work other than in the earlobe. All jewelry should be in compliance with health and safety rules of the Company.

Team Members are permitted to have visible tattoos so long as the image(s) or message(s) do not otherwise violate Company policies. The Company may ask that tattoos be covered if in violation of Company polices. If you have questions regarding your tattoo(s) please communicate with your supervisor.

#### **TEAM MEMBER SAFETY**

SAFETY IS EVERYONE'S JOB.

Safety must always be our top priority.

It is the responsibility of all Reed Team Members to maintain a safe work and business environment. Should at any time you notice a potential hazard, you must report any unsafe condition, defective tool or equipment to their Department Manager. Take initiative to correct

problems as you notice them or if you are unsure go immediately to your Manager. Only Team Members trained and authorized may use power equipment or tools. Always use the proper protective equipment.

**SAFETY** – You are to report all accidents and resulting injuries to your Manager, no matter how minor they may appear. By reporting possible safety hazards, you are reducing the possibility of future injury to yourself and fellow Team Members. We provide a Safety Video with a test for you to view and complete with your new hire packet.

**WORKING ON OWN VEHICLES** – Department Manager approval is required and will only be allowed during off duty time other than the Company's normal hours. Company supplies are not permitted to be used on your personal vehicle.

**DISASTER PLAN** – In the event of severe weather and a Tornado Warning has been issued on the radio or by siren; seek shelter immediately. Our designated shelter area is posted on the Notice Board in the Team Member breakroom. It is recommended that you lie low with your hands covering the back of your head to reduce neck injury. In the event of a fire or a need to evacuate the building, exit the building at the door closest to your area and meet at the new car display lot in front of the building for further direction.

**DISCOVERY OF A WEAPON** – Should a Team Member discover a firearm or any other weapon in a customer's vehicle, the Team Member should not touch or handle the weapon in any way. If a weapon is located in such a way as to prevent the Team Member from completing whatever work is being done to the vehicle, then the Team Member must notify the Department Manager immediately.

**RESPIRATOR POLICY** – Any Team Member whose job duties require the use of a respirator will be required to adhere to the procedures provided in the Company Safety Manual.

#### **HOUSEKEEPING**

An immaculate work area creates an immediate impression of professionalism. Good housekeeping also makes it easier to organize work and prevent loss of items. It is expected that you will help maintain a clean and professional work area.

- The company provides all wall and desk accessories. Nothing may be hung on the walls unless approved by the President or General Manager.
- Coats should be hung up and not placed over the backs of chairs.
- Team Members should not eat in the showroom or in view of customers. All Team Members should use the break room or conference room as much as possible to enjoy meals and snacks. Food items should not be openly stored or set in a place visible to customers.

#### **SMOKING**

Our building is a smoke-free building. Team members should smoke only in the designated area (some locations may ban smoking in public facilities due to city law) away from customer's vehicles and customer's view. Smoking is not allowed in the restroom or break rooms. Team members should refrain from standing outside at the entryways smoking.

All Team members will refrain from smoking in the presence of our customers even if the customer is smoking. When you are waiting on a customer, you are involved in business; smoking should not be going on at the same time. Let's give our complete attention to our customers by refraining from any smoking at any time in their presence. This personal conduct guideline applies to everyone including Managers, Service and Sales Representatives, and Porters.

In addition, smoking is not allowed in a customer's car or company owned vehicles.

#### SOCIAL MEDIA

The purpose of this policy is not to restrict the flow of useful and appropriate information or violate any Team Member rights, but to create a positive working environment. We understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and coworkers. However, the use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use.

Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site (e.g. Facebook, Linked in, etc.), web bulletin board or a chat room, whether or not associated or affiliated with our Company, as well as any other form of electronic communication.

You are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of your coworkers or otherwise adversely affects the legitimate business interests of our customers, our manufacturers or our vendors may result in disciplinary action up to including termination.

#### **Know and Follow the Rules**

Carefully read these guidelines, as well as our policies concerning harassment, confidentiality and proper business conduct, and ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct or will not be tolerated and will subject you to disciplinary action up to and including termination.

#### **Do Not Engage in Prohibited Conduct**

Always be fair to your coworkers, our customers and our vendors. Keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by utilizing our *Problem Solving Procedure* than by posting complaints to a social media outlet. Nevertheless,

if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as threatening or that might constitute harassment. Examples of such conduct might include posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policies.

#### **SOLICITATIONS**

The circulation, distribution or sale of any materials or merchandise during working time or in working areas without prior approval of Management, is prohibited. Working time does not include lunch periods, work breaks, or any other period in which Team Members are not on duty.

• From time to time, we may authorize solicitations on behalf of a recognized charity. All contributions are voluntary and do not affect your continued employment.

#### **TIME KEEPING**

Unless otherwise notified, all Company Team Members are required to keep an accurate record of his or her hours worked through the use of an electronic timekeeping system. All Team Members are expected to follow the established procedures in keeping an accurate record of your hours worked, including recording <u>all</u> time worked for the Company. Accurately recording all your time is required to ensure that you are paid for all hours worked as required by wage and hour laws. Time must be recorded as follows:

Immediately before starting work in the morning; Immediately after finishing work before lunch; Immediately before resuming work after lunch; Immediately after finishing work in the evening; and Immediately before and after any other time away from work.

You are also required to punch or log out and back in any time you leave the Company for any personal reason. Of course, if you have to leave the Company during the day for reasons other than lunch or dinner, you are expected to notify your Department Manager.

If you forget to log or punch in or out, or if your entry is incorrect, notify your supervisor immediately so that the entry can be corrected. Any changes or corrections to your timecard or time record must be approved and documented by you and your immediate supervisor. Under no circumstances may any Team Member punch or log in or out for another Team Member or ask another Team Member to record his or her time. Recording another Team Members' time or asking another non-management Team Member to record your time may result in discipline, up to and including immediate termination.

Your obligation to accurately record all hours worked does not relieve you of your obligation to obtain advance approval from your supervisor before working overtime hours or hours beyond your regular work schedule.

If you perform any work outside your normal work hours, you are required to notify your immediate supervisor and the Payroll Manager by e-mail the following business day, reporting the amount of time you worked and the work you performed. Such time will be counted as "hours worked."

Please understand that no Company manager or supervisor is authorized to instruct you to work "off the clock." You should immediately report any manager's or supervisor's instruction to do so to the Human Resources Manager.

#### **UNIFORMS**

All service, sales, collision, and parts Team Members will be in uniforms approved by Management. All uniforms will always be changed often to present a neat appearance. If you choose to wear a t-shirt underneath, it should be white, gray or black with no visible logos. Uniforms will be worn with only the top button unbuttoned, and each uniform shirt type will be designated to be worn tucked in or out.

#### WORK BREAKS AND LUNCH PERIODS

Team Members are provided two paid 15-minute work breaks per workday, and one unpaid lunch period. The lunch period should be no less than 30 minutes in duration and should be uninterrupted. These breaks are for the purpose of refreshing and replenishing, getting a snack or beverage, making personal phone calls, etc. Breaks should not be taken in the work area of other Team Members who are not taking a break.

# IF YOU LEAVE US

#### **RESIGNATION OF EMPLOYMENT**

In the event you choose to resign from your position, we ask that you give us at least two weeks' notice. Depending on the circumstances, we may or may not allow you to work out the notice. We expect you to take care of all your outstanding accounts with the Company and return all Company property prior to processing of your final payroll.

#### **REFERENCES**

Upon separation of employment, the references that will be given by the Company are limited to verifying position, pay, and dates of employment. Only the General Manager is authorized to provide references.

#### **EXIT INTERVIEW**

We generally conduct exit interviews with separating Team Members. The purpose of the interview is to determine the reasons for separation and to resolve any questions of compensation, insurance continuation, return of Company property, or other matters related to leaving.

Please keep in mind that <u>all</u> customer information is the exclusive property of the Company. Removing this information from the Company, failing to return it when you leave the Company or using the information at another dealership constitutes theft and will be treated as such. In addition, federal regulations prohibit removing any customer information from our premises or using it at or on behalf of another employer.

It's your responsibility to ensure that we have up-to-date contact information prior to your departure, so that you receive any legally required notices and information following your separation.

# REED AUTOMOTIVE GROUP

#### Employee Handbook Addendum Kansas

#### INTRODUCTION

This Addendum is applicable only to **Reed Automotive Group** ("Company") Team Members working in the State of Kansas. If any provision of this Addendum conflicts with language in the Employee Handbook ("Handbook"), this Addendum will control.

This Addendum is to be read in connection with the Handbook. Together, the Handbook and Addendum will provide you with information about your employment and serve as a guide to the Company's current policies, practices, and procedures.

#### **POLICIES**

#### **EQUAL EMPLOYMENT OPPORTUNITY**

We are an Equal Employment Opportunity employer committed to providing equal opportunity in all of our employment practices, including selection, hiring, assignment, re-assignment, promotion, transfer, compensation, discipline, and termination. The Company prohibits discrimination, harassment, and retaliation in employment based on race; color; religion; genetic information; national origin; sex; sexual orientation; gender identity or expression; pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; ancestry; or any other category protected by federal, state or local law. Violation of this policy will result in disciplinary action, up to and including immediate termination.

#### COURT ATTENDANCE AND WITNESS LEAVE

The Company provides Team Members with unpaid leave when necessary to attend, prepare for and/or participate in court proceedings when required by law. If you need leave for court attendance and/or you are subpoenaed to appear as a witness, please notify your supervisor immediately so that we can plan our work with as little disruption as possible. We do not pay Team Members who are subpoenaed to appear as witnesses unless the witness duty is work-related.

Team Members with witness duty must provide their supervisor with a copy of the subpoena. Team Members who are released from witness service before the end of their regularly scheduled shift are expected to call their supervisor as soon as possible and report to work if requested.

#### DOMESTIC AND SEXUAL VIOLENCE LEAVE

The Company provides any Team Member who is the victim of domestic violence or a victim of sexual assault with up to eight (8) days of unpaid leave, per year, to:

- 1. Obtain or attempt to obtain judicial relief, such as a restraining order;
- 2. Seek medical attention related to the domestic violence or sexual assault;
- 3. Obtain services from a domestic violence shelter, domestic violence program, or rape crisis center; and/or
- 4. Make court appearances in the aftermath of domestic violence or sexual assault.

If you need to take leave under this policy and where possible, you must provide us with reasonable advance notice of at least two (2) days of the need for leave. Upon return, the Company may require you to provide documentation demonstrating that the time off was used for a covered purpose. Any information provided in connection with leave will be maintained confidential, except where otherwise required by law.

Although leave under this policy is unpaid, Team Members may choose to use any paid time off available to run concurrent with leave. Likewise, to the extent allowed by law, this leave may run concurrent with Federal Family and Medical Leave.

#### NO WEAPONS IN THE WORKPLACE

The Company prohibits you and all other persons (other than law enforcement and authorized security personnel) from having firearms in working areas, in buildings, or on your person during working time or while performing work. Firearms are prohibited on all Company property and in Company vehicles. The only exception to this rule is that a person with a current license to carry a firearm may keep a firearm in their personal vehicle so long as it is kept out of sight in a locked, enclosed compartment or area of their vehicle in the Company's parking lot. Anyone who has a license to carry and will have the firearm on Company property, must notify us and provide a copy of their license.

If you are aware of violations or threats of violations of this policy, you are required to report such violations or threats of violations to your supervisor immediately.

A Team Member's failure to notify the Company with a copy of their current firearm license, to properly secure and protect a firearm or to comply with this policy may subject the Team Member to discipline, up to and including immediate termination. Team Members with questions concerning the application of this policy, should consult Human Resources immediately.

#### SMOKING IN THE WORKPLACE

Use of tobacco in any form is permitted only in designated outdoor spaces outside of the Company facilities. Smoking is prohibited by law in any area where paint or other flammable materials may be present. This policy also applies to electronic cigarettes, also known as e-cigarettes, e-cigs, e-

smoke, digital cigarettes, alternative cigarettes and "vaping." In cases of excessive time spent smoking, managers may restrict or curtail smoking privileges during the workday.

#### **VOTING LEAVE**

The Company believes that every Team Member should have the opportunity to vote in any state or federal election, general primary or special primary. Any Team Member whose work schedule does not provide them two (2) consecutive hours between the opening of the polls and the beginning of their shift or between the end of their shift and the close of the polls, will be granted up to two (2) hours of paid leave to vote. The Company may select the hours you are excused to vote.

Please notify your supervisor of your need for voting leave as soon as possible. Upon return from leave, the Company may require you to provide proof that you voted, such as a voting sticker.

#### **WAGE PAYMENT**

The Company pays you at least once each calendar month not more than fifteen (15) days after the end of the pay period.

Exempt Team Members may be provided time off with pay for any of the above leaves where necessary to comply with state and federal wage and hour laws.

# ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK

I acknowledge that I have received **Reed Automotive Group** Employee Handbook covering all employees employed by the Dealership and the Employee Handbook Addendum for Kansas ("Addendum") applicable to our Kansas employees. I understand that the Handbook contains current policies and benefits of Reed Automotive Group and that they reserve the right to add, delete, or modify these policies as it deems appropriate.

I understand that the Handbook (including the Addendum) represents only current policies and benefits and that it does not create a contract of employment. The Company retains the right to change these policies and benefits at any time, without advance notice, as it deems appropriate.

I understand that I have the right to terminate my employment at any time, for any reason with or without advance notice, and that the Company has a similar right. I further understand that my status as an at-will employee may not be changed except in writing, signed by the General Manager.

Signature	Job Title/Position	
Printed Name	Date	