

# **SHEARER AUTOMOTIVE**

## **EMPLOYEE HANDBOOK**

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## **WELCOME TO SHEARER AUTOMOTIVE**

Shearer Automotive has been a family-based area business leader for over 80 years. We look forward to working with you, as together we carry on the tradition of keeping Shearer Automotive a great place to do business and find job fulfillment. We are glad to have you on our team!

## **HISTORY**

Shearer Automotive has been in business since 1929. Three generations of Shearers have built an outstanding reputation in the Vermont automotive community.

The original Appleyard Motor Company, a Dodge dealership, laid the foundation for what was to become Shearer Automotive. In 1929 Carl Shearer purchased a controlling interest in Appleyard Motor Company in Burlington. The sales showroom and office were located on South Winooski Avenue and the “service station” on St. Paul Street, both in downtown Burlington.

In the 1930's the former Dodge dealership became a Chevrolet franchise and was renamed Shearer Chevrolet Company. In the 1940's the dealership moved out of the downtown Burlington area to a new location at 333 Shelburne Road, Burlington, currently the home of an unrelated Hyundai dealership.

In the 1950's the second generation of Shearers entered the business with the addition of John and Robert Shearer, both sons of Carl Shearer.

In 1971 construction of a new facility began and upon its completion Shearer Chevrolet Company moved to its current location at 1675 Shelburne Road, South Burlington. At the time of this move General Motors was incurring a labor strike and the Chevrolet dealership moved into brand new facilities with no new vehicle inventory!

In 1985 the third generation of Shearers joined the organization with the addition of Bill Shearer, son of Robert Shearer and grandson of Carl Shearer. Prior to this date Bill Shearer had a career in commercial real estate sales and development. In October 1986 Bill Shearer purchased the Chevrolet dealership from his father Robert and his uncle John and began the expansion of Shearer Automotive.

In 1989 Bill Shearer purchased a Ford dealership located in South Barre, VT with business partner Mark Saba and called it Formula Ford. Bill successfully ran the Ford operation for over seven years before selling his interest to partner Mark Saba.

In 1992 a Honda franchise was added with the purchase of a dealership in Rutland. Shearer Honda operated at a former location until the successful renovation in 1995 of a former General Motors facility. Shearer Honda's location is at 211 US Route 7 South, Rutland, VT.

In 1994 Oldsmobile, Pontiac, and Cadillac were added to Shearer Automotive with the purchase of a General Motors dealership at 1030 Shelburne Road, South Burlington. The HUMMER franchise was added to this location in 2003 at the same time as the termination of the

Oldsmobile nameplate. In 2006 the Buick GMC franchises were acquired from a former competitor and the HUMMER franchise was moved to Shearer Chevrolet. With the loss of the Pontiac nameplate in 2009 this dealership evolved into the Shearer Buick GMC Cadillac dealership.

In 2007 Shearer Chevrolet constructed a new state-of-the-art body shop facility called Direct Auto Body. At the same time, the Shearer Chevrolet service department was able to double its shop capacity with the addition of the “south shop” space.

In 2009 Bill Shearer continued growing his operations with the acquisition of an Audi Volkswagen franchise called Audi VW South Burlington located at 1325 Shelburne Road, South Burlington and an Acura franchise called Lewis Motors, Inc. located at 1301 Shelburne Road, South Burlington, VT. David Lewis is his business partner in this business venture.

In January 2012 the Buick GMC Cadillac operations relocated to 1675 Shelburne Road and combined with the Chevrolet dealership to form Shearer Chevrolet Buick GMC Cadillac. At the same time, the Volkswagen operations split off from the Audi dealership and moved into the former Buick GMC Cadillac location at 1030 Shelburne Road to establish the stand-alone Shearer Volkswagen dealership. Later in October 2012 the Audi facility was extensively renovated into an Audi-approved factory image showroom and customer service area.

In December 2017, after 25 years of ownership the Shearer Honda store located in Rutland was sold to Key Auto Group.

The Shearer family has been serving the community for over 80 years. Out of the many auto dealerships across the nation only about 100 have been doing business under the same name and family ownership for 80 years or more. Shearer is one of them. Shearer Auto motive is truly a successful part of the Vermont business and automotive community.

## **MISSION STATEMENT**

“We will chart a course for selective but aggressive growth as a dealership group acknowledged as the leader in our industry. We will strive to provide an excellent environment for our employees, to be responsive to customer needs, and to effectively deal with our vendors and manufacturers with the highest standards of integrity.”

## **VISION STATEMENT**

The Shearer team will pursue a vision of becoming Vermont’s largest volume premier automotive servicing and sales dealership. We will accomplish this by developing the best of the best people in the industry and by providing the best possible products and services for our customers. We will strive to be number one in employee satisfaction, followed closely by customer satisfaction and owner loyalty. Our employees will be empowered to make the RIGHT decision for our customers to ensure we exceed our customers’ expectations. We will do all of this while holding ourselves to the highest standard of morals and ethics and remain true to the integrity and uniqueness of our brand.

## **ORGANIZATIONAL VALUES**

All businesses have a culture that evolves over time and develops a system of mores and beliefs that become part of the defining experience of the company. Shearer Automotive believes that the things we hold most dear can be described in the following simple statement of values:

1. We are committed to providing a place of employment that is safe, satisfying, and rewarding for our employees.
2. We are committed to the pursuit of continuous improvement.
3. We will seek and earn a leadership position in any market in which we compete, which will provide the company with superior return on investments.
4. To foster long-term relationships with employees, customers, and vendors, we will treat all people with whom we interact in a straight forward and honest manner.
5. We will strive to recruit and select individuals that will both add to the team chemistry and excel in performance while adhering to our high standards of ethics and integrity.

## **CUSTOMER RELATIONS PHILOSOPHY**

Our most important goal is Customer Satisfaction and our customers are the most important people in the world. Our customers expect:

- To be valued and treated with respect
- Ease and convenience throughout their purchase and service visits
- Timely delivery of new vehicle and servicing of vehicle
- Their vehicle will be fixed right the first time
- Follow-up communications
- Responsiveness to questions or concerns

## **SHEARER AUTOMOTIVE PLEDGE**

The Shearer Automotive Team pledges to treat every customer with honesty, integrity, sincerity, and professionalism.

## **EMPLOYEE RELATIONS PHILOSOPHY**

We are dedicated to an excellent employee relations program. We will do our best to maintain good working conditions, competitive wages, benefits, open communications, and employee involvement. Over the years, the Company has earned a fine reputation in our industry. We know that our reputation is a direct result of the loyalty, commitment, and continued efforts of our employees.

- To select and hire the best persons for each position on a non-discriminatory basis
- To promote from within those who stand out in their performance

- To encourage employees in their development toward possible advancement in the company
- To recognize length of service as an important factor
- To provide pay that is consistent with job performance
- To provide employee benefits that compare favorably with those generally available in the area for similar work
- To provide safe working conditions by maintaining an orderly operation and to develop and encourage practices that promote employee health and safety
- To provide steady work through careful planning to minimize the effects of business cycles and to control the need for layoffs to the extent possible
- To provide for open discussions if an employee has complaints or problems and attempt to promptly correct conditions that are found to be improper
- To impose discipline fairly and equitably if required and on a corrective basis to encourage performance improvement
- To keep employees informed of company matters

## **QUALITY COMMITMENT**

The success and growth of the Company has been directly related to the hard work of its employees and the ability to control the quality of its products and/or services. The Company has instituted a program of quality control that helps to insure that our products and/or services meet the standards that are needed. This dedication to quality is the best way to make sure our customers continue to use our products and/or services time after time. Quality is everyone's responsibility and requires effort from all.

## **ORGANIZATION**

Shearer Automotive consists of four separate automotive dealerships with management functions that coordinate administration across all dealerships:

Shearer Chevrolet Buick GMC Cadillac  
1675 Shelburne Rd  
South Burlington, VT 05403

Audi South Burlington  
1325 Shelburne Road  
South Burlington, VT 05403

Shearer Acura  
1325 Shelburne Road  
South Burlington, VT 05403

Shearer Volkswagen South Burlington  
1030 Shelburne Road  
South Burlington, VT 05403

## **PURPOSE OF HANDBOOK**

Throughout this manual Shearer Automotive Group will be referred to as the “Company.” This Handbook is designed to be a working guide in the day-to-day administration of the Company’s Human Resources. It is the responsibility of each and every member of management to administer these policies in a consistent and impartial manner.

There are several things that are important to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or expectations to, the general policies and procedures described. For that reason, if you have questions concerning eligibility for a particular benefit, or the applicability of a policy or practice, you should address your specific questions to the Human Resources Department.

Neither this handbook nor any other Company document confers any contractual right, either expressed or implied, to remain in the Company’s employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will, with or without cause and without prior notice, by the Company or you may resign for any reason at any time. No supervisor or other representative of the Company has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above.

Second, the procedures, practices, policies and benefits described here may be modified or discontinued at any time. New and revised policies and procedures will be issued periodically via the web application and every effort will be made to inform employees of any changes as they occur. This handbook can only be changed in writing and by direction of the Management.

Third, this handbook and the information in it should be treated confidentially. No portion of this handbook should be disclosed to others, except company employees and others affiliated with the company who may have knowledge of the information as required in the normal course of business.

Finally, some of the subjects described here are covered in detail in official policy documents. You should refer to these documents for specific information since this handbook only briefly summarizes those subjects. With regard to employee fringe benefits, for example, please note that the terms of the written insurance policies are controlling.

This handbook supersedes any previous handbook or written policies. The only version of this Handbook that is in effect at any time is the electronic version in the web application. **No printed version of this Handbook shall be deemed valid.**

## **AUTHORIZATION**

The research and writing of Company policies and procedures are coordinated by the Human Resources department. All new policies or revisions are reviewed by Executive Management (“Management”) and recommendations are presented to Management. Each new or revised policy and procedure will be effective only after approval and written notification from Management. The personnel policies, practices and guidelines in this Handbook will remain in effect until changes are considered necessary at the sole discretion of the Company as a result of internal growth, competitive forces, or as a result of general economic conditions or other factors the Company deems relevant. Any changes in policy or practice will be given due consideration to the mutual advantages, benefits, and responsibilities of such changes according to the Company, its Managers, Supervisors, and employees.

## **DISTRIBUTION AND HUMAN RESOURCES WEBSITE**

Each new employee will be given a username and password upon joining the Company. This username and password will give each employee secure access to our Human Resources Web application. The employee handbook is listed under the “Manuals” section of the web application. Employees that leave the Company will have their Username and Password deactivated upon termination.

## **EXCEPTION ALLOWANCE**

This manual should be used carefully, with consideration given to each personnel problem with regard to the particular circumstances involved. The purpose of this manual is not to supplant the use of good judgment, thus, if the application of any policy or procedure would appear to aggravate a problem, consult the Human Resources department about an exception.

## **INTRODUCTION**

### **EQUAL EMPLOYMENT OPPORTUNITY**

Equal Employment Opportunity is a fundamental principle at Shearer Automotive, where employment is based upon personal capabilities and qualifications without regard to race, color, religion, sex, age, national origin, disability, or any other protected characteristic as established by law.

This policy of Equal Employment Opportunity applies to all policies and procedures relating to recruitment and hiring, compensation, benefits, termination and all other terms and conditions of employment. This policy applies to all classifications of full-time, part-time, temporary, and on-call part-time employment.

The Human Resources department has overall responsibility for this policy and maintains reporting and monitoring procedures.

### **NON-DISCRIMINATION**

Discriminatory treatment by or toward employees of Shearer Automotive based upon factors unrelated to job performance will not be tolerated. Such conduct may result in disciplinary action, up to and including termination.

### **OPEN DOOR POLICY**

Shearer Automotive promotes an atmosphere whereby employees can talk freely with members of the management staff. Employees are encouraged to openly discuss with any problems with their manager so appropriate action may be taken. If the manager cannot be of assistance, the Human Resources department is available for consultation and guidance. The Company is interested in all of our employees' success and happiness. We, therefore, welcome the opportunity to help employees whenever possible.

### **OFFENSIVE BEHAVIOR PREVENTION**

Shearer Automotive is committed to providing a positive work environment for its employees, and strongly believes that all employees must be treated with dignity and respect. Any form of intimidation, hostility, harassment, or offensive behavior on the part of managers, coworkers, or visitors will not be tolerated, and may result in disciplinary action, up to and including termination.

If you feel you are subject to offensive behavior or being harassed in any way, or indirectly affected by the behavior of others, report the incident to your manager and/or to Human Resources immediately. **\*All supervisors or managers learning of a potential offensive behavior or harassment situation must immediately report the issue to Human Resources.**

Offensive behavior may include, but is not limited to:

- Unwelcome or offensive jokes, innuendo, or swearing

- Remarks about another person's religious, political, or other views
- Remarks about another person's private life
- Gossiping about other employees in an attempt to undermine their reputation
- Negative or intimidating comments or actions toward other employees
- Negative or intimidating emails to other employees
- Any action that could be considered bullying behavior toward others
- Degrading remarks, posters, graffiti, or other objects in the workplace that contribute to an intimidating work environment
- Wearing or distributing items that may be considered offensive

## **SEXUAL HARASSMENT PREVENTION**

Shearer Automotive is committed to providing a positive work environment for its employees, free from any type of sexual harassment. Sexual harassment in any form will not be tolerated. The Company further acknowledges that certain forms of harassment are against the law.

The Company will promptly respond to any incident or suggestion of sexual harassment. Violation of this policy will result in disciplinary action, up to and including termination.

Sexual harassment is defined as unwelcome sexual behavior where:

- 1) Submission to such behavior is a term or condition of employment;
- 2) Submission to or rejection of the behavior is used as the basis for making employment decisions (e.g. hiring, terminations, promotions);
- 3) Such conduct interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment.

Sexual harassment may include, but is not limited to:

- Unnecessary or unwelcome touching
- Pressure or coercion to date
- Unwelcome or offensive sexual innuendo
- Pressure for sexual activity
- Emails, voicemails, or other communications of a sexual nature
- Remarks about a person's body or their private life
- Making an individual the object of sexist, degrading, or humiliating jokes
- Degrading remarks, posters, graffiti, or other objects in the workplace that contribute to an intimidating work environment
- Demanding sexual favors accompanied by implied or overt threats concerning pay or other aspects of employment
- Physical assault

If you feel you are being sexually harassed in any way, no matter how subtle, you should report the incident to your manager and/or to Human Resources immediately. If appropriate to the circumstances and if you are comfortable doing so, confront the harassing individual privately. Make it clear that the conduct is offensive, and ask that it stop. **\*All supervisors and managers**

**learning of potential offensive behavior or a harassment situation must immediately report the issue to Human Resources.**

Sources of harassment may be co-workers, customers, supplier representatives or your supervisor, among others. In a situation where your supervisor is the source of the alleged harassment, you should contact a manager you trust and/or the Human Resources department. Upon notice, the Company will take action to investigate the situation and will prevent sexual harassment occurring in the employment setting.

Information will be kept as confidential as possible while ensuring a thorough investigation. Every effort will be made to assure confidentiality, but confidentiality is not guaranteed, since the corrective action may require disclosure of some information. Employees involved in a sexual harassment investigation must maintain appropriate confidentiality throughout the investigation. Failure to do so may result in disciplinary action.

The Company will respond as it deems appropriate to any circumstance of harassment or behavior that is contrary to this policy. No employee who reports possible harassment will suffer retaliation of any kind from the Company or other employees. Any employee who retaliates against or intimidates someone making a complaint will be subject to disciplinary action, up to and including termination.

## **WORKPLACE VIOLENCE PREVENTION**

Shearer Automotive is committed to providing a positive and safe working environment for its employees. Acts of violence or forms of hostile or intimidating environments will not be tolerated. Any instances of violence must be reported to the employee's manager and/or the Human Resources Department. All complaints will be fully investigated.

The Company will promptly respond to any incident or suggestion of violence or hostile/intimidating work environments. Violation of this policy will result in disciplinary action, up to and including termination.

## **AMERICANS WITH DISABILITIES ACT (ADA)**

The Company is committed to complying with all applicable provisions of the Americans with Disabilities Act ("ADA"). It is the Company's policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the employee can perform the essential functions of the job. Consistent with this policy of nondiscrimination, The Company will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA, who has made the Company aware of his or her disability, provided that such accommodation does not constitute an undue hardship on the Company.

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Human Resources Department. The Company encourages individuals with disabilities to come forward and request reasonable accommodation.

### Procedure for Requesting an Accommodation

If you feel you need an accommodation please discuss the matter with your supervisor and/or the Human Resources department. Human Resources and/or your supervisor will meet with you to discuss and identify the precise limitations resulting from the disability and the potential accommodation that the Company might make to help overcome those limitations.

The Company will determine the feasibility of the requested accommodation considering various factors, including, but not limited to the nature and cost of the accommodation, the availability of tax credits and deductions, outside funding, the Company's overall financial resources and organization, and the accommodation's impact on the operation of the Company including its impact on the ability of other employees to perform their duties and on the Company's ability to conduct business.

The Company will inform the employee of its decision on the accommodation request or on how to make the accommodation. If the accommodation request is denied employees will be advised of their right to appeal the decision by submitting a written statement explaining the reasons for the request. If the request on appeal is denied that decision is final.

The ADA does not require the Company to make the best possible accommodation, to reallocate essential job functions, or to provide personal use items (i.e., eyeglasses, hearing aids, wheelchairs etc.).

## **BUSINESS CODE OF CONDUCT**

The highest standard of business ethics requires that every employee conduct themselves and his/her affairs in a manner that will avoid any conflict with the Company's interests.

### **Conflict of Interest**

No employee is permitted to work in any capacity for a competitor during his/her employment with the Company.

Executives, other management or supervisory personnel, and members of their immediate families should not have any financial interest, direct or indirect, in any of the Company's suppliers.

"Supplier" means anyone supplying goods, supplies, equipment or services to the Company. However, the ownership of a small minority stock interest in a publicly owned company whose shares are traded through normal markets is not considered a conflict of interest. A conflict of interest is not considered to exist when bids have been taken and a supplier can save the Company money, even if executives, management or supervisory personnel, or members of their immediate families have any direct or indirect financial interest with said supplier.

Executives, other management or supervisory personnel, and members of their immediate families, should not request or accept gifts, discounts, or other gratuities from the Company's suppliers or customers. Because there is a wide range of activities performed by various members of the organization, it is difficult to list every act that may be considered a conflict of interest. It is generally considered a conflict of interest when favors, gifts, etc. become more than nominal and casual within the framework of the individual's business activities. Invitations to lunch, dinner, or other such minor favors are not considered as giving rise to any conflict of interest.

Should the Company become involved in any negotiations in which executives, key or supervisory personnel, or members of their immediate families have any interest (other than a minority stock ownership of public companies acquired prior to the time such negotiations were instituted), the extent of such interest should immediately be disclosed to an appropriate member of management or Human Resources.

Employees are prohibited from disclosing confidential company information to outsiders or from removing confidential information from Company premises. This includes confidential information you may have had access to during your employment due to your specific job duties.

Books, records, and financial reports must be kept accurately, honestly and completely with strict compliance with all federal and state laws.

Full and prompt disclosure of all materially important business events and developments is required.

## **Gifts and Entertainment**

It is the policy of the Company not to make any gift or accept any gift, other than a nominal holiday remembrance, (not to exceed \$50.00 in value) or provide entertainment except routine lunches or dinners occurring during the conduct of regular business without approval from the General Manager.

It is the Company's policy to follow ethical standards of behavior in its dealing with clients and prospects, both government and private, with suppliers, and with all other persons.

## **Outside Activities**

No employee may take a job or volunteer for a competitor of the Company or perform services on their own that competes with the sales of products or services we provide our customers. (See Outside Employment under General Workplace Policies)

Employees are expected to conduct their personal affairs in a manner that does not adversely affect the Company's or their own integrity, reputation or credibility. Illegal or immoral off-duty conduct on the part of an employee that adversely affects the Company's legitimate business interests or the employee's ability to perform his or her job will not be tolerated.

## **Confidential Information**

Employees are exposed to a great deal of confidential information about the Company. This information includes such things as financial information regarding the Company's operations, prices of materials and supplies, procedures for determining the price of goods sold, and prices of goods sold. Confidential information should only be discussed with other employees as necessary to the processing of daily business. At no time, either during or after an employee's employment, should an employee disclose any confidential information about the Company to any person, corporation, or business entity except when authorized by the Company's top management.

## **Reporting**

If an employee of the Company feels that they have been subject to or a witness to unethical and/or fraudulent behavior, they should report the conduct to a member of senior management or the Human Resources department. Upon notice the Company will take action to investigate the alleged offense. Those who report alleged offenses to this policy are protected from retaliation. Any employee who retaliates against or intimidates someone making such a complaint will be subject to disciplinary action, up to and including termination of employment.

Complaints may be made anonymously. If the complaint is made otherwise, information will be kept as confidential as possible while ensuring a thorough investigation. Every effort will be made to assure confidentiality, but confidentiality is not guaranteed, since the corrective action may require disclosure of some information. Employees involved in an investigation must maintain appropriate confidentiality throughout the investigation.

The Company will respond as it deems appropriate to any circumstance or behavior that is contrary to this policy.

## COMPENSATION

At Shearer Automotive we are committed to a goal of excellence in our management and administration. We support this commitment by hiring qualified people, providing them with the flexibility and support needed to do their job, rewarding them appropriately, and fostering an environment of openness, candor, innovation, and professional growth. It is the Company's policy that wages will be administered equitably and in a manner that will attract, motivate, develop, and retain the qualified employees needed to achieve the mission and purpose of the Company.

## EMPLOYMENT CLASSIFICATIONS

Based on the conditions of employment, employees of the Company fall into the following categories: Full-Time, Part-Time, and Temporary Employees.

Most Shearer Automotive employees are considered "regular" employees. Occasionally, temporary employees are utilized. Part-time employees are those who are hired on a "regular" basis, but who work less than 30 hours per week.

## FAIR LABOR STANDARDS ACT (FLSA)

The Company is subject to the Fair Labor Standards Act. Among other provisions the act provides that employees be paid at least the established Federal minimum wage rate for all time worked and provides that non-exempt employees be paid overtime for all hours worked over 40 in a regular workweek.

### Exempt

Positions that are exempt (from the wage provisions of the FLSA) are paid a salary and are not eligible for overtime pay. Exempt positions are based on a 40 hour workweek and incumbents are expected to work whatever hours are necessary to get the job done.

### Non-Exempt

Positions that are non-exempt are paid by the hour and are eligible for overtime pay at time and a half for any hours over 40 in a regular workweek. At Shearer this generally includes hours paid for holidays and/or PTO time paid during the week.

## PAYROLL DEDUCTIONS

Various deductions will be taken out of your paycheck and will be reflected on your pay stub. Certain deductions are required by law and others are elected by you. You are responsible for notifying the appropriate Office Manager or Human Resources of any errors in your paycheck or any change in your deductions. Each pay stub lists deductions for that pay period:

### Legally Required

- Federal Income Tax
- State and Local Income Taxes (where applicable)
- Social Security Tax (FICA)
- Medicare Tax

- Court-Ordered Garnishments (if applicable)

#### Voluntary

- Medical/Dental insurance premiums
- Voluntary benefit deductions
- Direct Deposit to a banking account
- 401(k) contributions

### **PAY PERIODS**

Shearer Automotive employees are paid on a weekly basis every Friday, with limited exceptions.

### **PERSONNEL/EMPLOYMENT RECORDS**

Employees are responsible for providing the Company with accurate and up-to-date personal information, including name, address, telephone number, dependents, income tax withholding, insurance beneficiaries, emergency contacts, and any other information which may affect your employment status. Any changes in the above information should be promptly reported to the appropriate Office Manager or Human Resources department on a Status Change form or via e-mail.

## **EMPLOYEE BENEFITS**

### **MEDICAL AND DENTAL PLANS**

Medical and/or Dental Insurance is available to all regular, full-time employees and their eligible dependents. Because of the specifics of the plans, levels of coverage, eligibility, costs to employees, and waiting periods, details are provided in a Benefits Summary and through Summary Plan Descriptions and Certificates of Coverage.

The Company complies with the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

### **HEALTH SAVINGS ACCOUNT**

Employees may save money on a pre-tax basis into an account for health related expenses. The account is owned by the employee and is completely portable.

### **GROUP LIFE INSURANCE**

The Company provides all full-time employees with term life insurance and Accidental Death and Dismemberment (ADD) insurance of \$50,000 coverage.

### **SUPPLEMENTAL LIFE INSURANCE**

The employee may elect to purchase additional term life and accidental death and dismemberment insurance on themselves, their spouse, and their children through the Company's benefit program.

### **CRITICAL ILLNESS AND ACCIDENT INSURANCE**

The employee may elect to purchase specific coverage available during the annual open enrollment period.

### **SHORT TERM DISABILITY**

The Company provides Short Term Disability to all full-time employees. The benefit begins on the 15<sup>th</sup> calendar day of disability. The plan pays 60% of base pay up through the 89<sup>th</sup> day of disability.

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

The Shearer Chevrolet Co., Inc. PSP and Trust 401(k) Plan is a retirement savings vehicle that allows you to contribute a portion of your salary on a tax-deferred basis. Employees are eligible to enroll in the 401(k) Plan after one year of employment, at least 1000 hours of service, and are at least 21 years of age. All 401(k) contributions must be made through automatic payroll deductions. The Company matches 100% of the employee's contribution up to 2% of the employee's gross pay, subject to a vesting period. For more information, please see the 401(k) materials and the Investment Policy provided by the CFO or Human Resources.

## **PAID TIME OFF / HOLIDAYS**

See Paid Leaves of Absence Policy

## **EMPLOYEE ASSISTANCE PROGRAM (EAP)**

The Company provides a free confidential counseling and assistance program to all employees and their family members for everyday challenges of work and home as well as more serious issues involving emotional and physical well-being. Employees may remain completely anonymous when using the no-cost service for issues such as:

- Childcare and/or eldercare referrals
- Personal relationship information
- Health information and online tools
- Legal consultations with licensed attorneys
- Financial planning assistance
- Stress management
- Career development

Assistance is easy to access:

Telephone consultations: Speak confidentially with a master's level consultant to clarify your need, evaluate options and create an action plan.

Face-to-face meeting: Meet with a local consultant up to three times per issue for short-term problem resolution.

Educational materials: Receive information through an online library of downloadable materials and interactive tools. [www.unum.com/worklifebalance](http://www.unum.com/worklifebalance).

Employees and household members can refer themselves to the EAP 24 hours a day, 7 days a week. The counselors may suggest a referral to an outside resource, such as a therapist, agency, physician, treatment facility, or other professional that would be appropriate to assist in resolving the problem or situation.

EAP brochures are available by contacting Human Resources.

## **EMPLOYEE VEHICLE PURCHASES**

Regular full-time employees are entitled to certain privileges on items sold by the dealership after completing 90 days of continuous service. The following guidelines reflect our policy on employee purchases:

### **New and Used Vehicles**

- Employees are encouraged to buy new and used vehicles from the dealership.
- New vehicles may be purchased at the manufacturer's employee pricing or at factory invoice plus \$200, minus any rebates or incentives. The Dealership reserves the right to charge "market value" on "specialty" vehicles while they are in limited supply and on high demand.
- Used vehicle prices may be negotiated with the General Manager on an individual basis.
- This special arrangement will be available to employees based on availability and model with the understanding that the customer comes first.
- The vehicle purchase must be for personal use only (not for resale).

### **Parts and Service**

- Employees will be allowed to purchase parts for their personal vehicles at cost plus 15%.
- Service on an employee's personal vehicle is available at our regular customer rate less an employee discount of approximately 40%. Menu priced services are not applicable. Body shop service on an employee's personal vehicle is available at an employee rate of \$40 per hour. Insurance-covered work is not applicable.
- Discounts on vehicles, parts and service are restricted to employees and their personally owned vehicles.

## ON THE JOB

### ATTENDANCE

An employee's attendance record has a direct impact upon overall job performance in the same way as effort, skills, and job knowledge. It is the responsibility of all employees to maintain prompt regular attendance to ensure the smooth functioning of their jobs and to avoid inconveniencing or disrupting other interrelated jobs.

If you are unable to report to work or will arrive late due to an illness or emergency you must notify your supervisor before or within the first working hour of the day. You must call and speak to your supervisor in person. If a voicemail is necessary please follow up in person to the extent possible. Email is not a preferred method of communicating absences unless it is agreeable to your supervisor. Please note:

- Notification through a fellow employee is not allowed.
- A text message via cell phone is not allowed.

You must contact your manager each day you will be absent unless the absence has already been established as spanning a number of days or substantiated as a leave of absence (see Leaves of Absence Policy).

You may be asked to provide a physician's statement when returning to work if you have been absent three or more consecutive workdays due to illness or injury.

#### Saturdays

Unplanned absences on scheduled Saturdays are highly discouraged and will affect overall job performance. For those employees scheduled to work on a Saturday a suitable replacement will be required in advance.

#### Failure to Give Notice

Failure to give notification of an absence for more than two consecutive work days, unless prevented by circumstances beyond the employee's control, may be considered by the Company to be a voluntary resignation or abandonment of the position.

#### Patterns of unplanned absences

If you begin to develop a pattern of unplanned absences your manager may work with you to improve the situation at their discretion. Consideration will be given to:

- Current and prior attendance
- Overall job performance
- Probability of improvement
- Length of service
- Extenuating circumstances such as an illness or injury
- Impact of absenteeism on the job

### Excessive Absenteeism or Tardiness

Excessive absenteeism or tardiness may be grounds for disciplinary action up to and including termination of employment.

## **DRESS CODE**

Quality service, positive attitude, good customer relations and a professional appearance are key factors in creating and maintaining a favorable image for the Company.

The Company expects its employees to dress professionally and appropriately for their occupation. If you are supplied with uniforms they must be worn at all times. Hair should be kept neat and clean. Tattoos or body piercings must be worn modestly or concealed while at work. Colognes and perfumes must not be offensive to others.

Specific department dress codes are listed below. Managers retain the right to address specific dress issues or make exceptions on a case by case basis. Specific stores may have additional dress code requirements.

### **SALES AND OFFICE PERSONNEL**

#### Business Casual

For Men: Business Casual includes dress slacks, buttoned-down shirts, sweaters, and dress footwear. Ties / blazers / suits are optional or appropriate as deemed necessary.

For Women: Business Casual includes dress slacks, dress skirts, buttoned-down or knit blouses, sweaters, and dress footwear. Blazers / suits are optional or appropriate as deemed necessary.

### **CUSTOMER FACING SERVICE PERSONNEL**

#### Uniform

For Men: Uniform includes dress or khaki slacks, Company shirts, Company sweaters, and dress or casual dress footwear. \

For Women: Uniform includes dress or khaki slacks, dress skirts, Company shirts, Company sweaters, and dress or casual dress footwear.

### **TECHNICAL, PREPARATION, BODY SHOP, AND MAINTENANCE PERSONNEL**

#### Uniform

Uniform includes the appropriate service uniform as designated by the department including shirts and pants. Shirts must be tucked in. Pants will be worn consistently at a height so that the legs do not bunch up at the ankle or drag on the ground. Hats will be worn straight ahead and will positively reflect one of the brands we sell. Shoes should provide safety where applicable including recommended optional steel toed boots.

### **UNACCEPTABLE DRESS FOR ANY POSITION**

Shorts/Cut-Offs	Excessively worn, torn, or ripped clothing
Sweat suits/sweat pants	Spandex clothing
See-through or mesh clothing	Tank Tops

Clothing of denim or blue jean material is not acceptable Business Casual dress. Tennis shoes, sandals, or flip flops are not acceptable footwear.

### **DRUG FREE WORKPLACE**

Shearer Automotive strives to provide a workplace free from the harmful effects of drugs. The manufacture, distribution, sale, possession, or use of controlled substances on Company premises or while conducting Company business outside of Company premises is strictly prohibited. Violation of this policy will be grounds for disciplinary action up to and including termination.

Employees who may be experiencing substance abuse problems (either at work or outside of work) are encouraged to seek treatment. Our goal is to continue to maintain a work environment that is free from the effects of substance abuse. The Company reserves the right to establish/implement drug testing procedures to support its commitment to a drug-free environment.

### **GAMBLING**

Gambling is not permitted on company premises. Friendly office pools (i.e. NFL Football, NCAA March Madness) may be approved by the General Manager.

### **HOUSEKEEPING**

All restrooms and break rooms will be kept in sanitary conditions at all times. We appreciate employees maintaining cleanliness in these areas for their own benefit as well as that of their fellow employees.

Trash receptacles for disposing of garbage are provided and must be used by employees for trash, cans, or bottles either inside or outside the building. Employees are not allowed to place personal trash in Company trash bins.

Employees are not permitted to spit on garage, service, or maintenance area floors.

### **INITIAL EMPLOYMENT PERIOD**

Every new employee goes through an initial period of adjustment in order to learn about the Company and individual job responsibilities. During this time the employee and the Company will have an opportunity to find out about mutual compatibility for the role. This also allows the employee's manager a reasonable period of time to evaluate employee performance. **The initial employment period is 90 days.** During this time, the new employee will be provided with training and guidance from their manager. At all times, both during and after the initial employment period, an employee is considered to be an at-will employee and may be discharged with or without cause and without prior notice.

## **PARKING**

Adequate and convenient parking is necessary for our customers. Therefore, it is important that all employees park in areas designated for that department by the Manager. The Company assumes no responsibility for an employee's vehicle or its contents while on Company Property. Employees that require a reasonable accommodation for parking closer to the building are able to park close to the showroom door, but they must discuss the matter with their immediate Supervisor.

## **PERSONAL PROPERTY**

Employees may display mementos pertaining to their families or bring other personal items to work. The Company takes no responsibility for the safekeeping of these items. Should any of your personal property be stolen, however, please report the incident to your supervisor. The following guidelines should be observed:

- Objects cannot interfere with job safety
- Displays cannot be considered offensive or inappropriate

## **SMOKING POLICY**

It is the policy of The Company to prohibit the use of all tobacco products and vaping on all company premises and within company vehicles, this is to provide a safe and healthy work environment for all employees. Smoking is defined as the “act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind.” Vaping refers to the use of electronic nicotine delivery systems or electronic smoking devices such as e-cigarettes, e-pipes, e-hookahs and e-cigars.

Smoking and vaping is permitted only in designated smoking areas, which have been established outside of the buildings. Smokers should remain at least 25 feet from any building entrance or exit.

Employees are allowed to smoke only on designated breaks. Excessive smoke breaks can affect job performance and/or be subject to disciplinary action up to and including termination.

Any questions regarding the smoking policy should be directed to the General Manager or Human Resources.

## **VISITORS WITHIN THE WORKPLACE**

Employees must accompany Company guests during their visit.

### Children in the Workplace

The presence of children in the workplace during the employee's workday is inappropriate and is to be avoided except in emergency situations. This policy ensures minimal disruption in job duties of the employee and co-workers, reduces property liability, and helps maintain the Company's professional work environment.

If bringing a child to work with the employee is unavoidable, the employee must contact his/her supervisor as soon as possible to discuss the situation and obtain permission to have the child accompany the employee while working. Factors the supervisors will consider are the age of the child, how long the child needs to be present, the work environment in the employee's area, and any possible disruption to the employee's and co-workers' work. Consideration will not be given to allowing a child with an illness to come to work with the employee.

### Pets in the Workplace

Pets are restricted from the workplace; HOWEVER the General Manager at each location has the discretion to allow this practice under limited circumstances and in limited areas of the building. Employees are responsible for the care and behavior of their pets at all times. Failure to follow all guidelines set forth by the General Manager will result in this practice being terminated. Should an employee require the assistance of a service animal such as a guide animal or other type of support animal, they should reach out to Human Resources for assistance.

### **WEAPONS BAN**

The Company bans the possession of any and all firearms or other weapons within its facilities, while conducting company business inside or outside of company property, or while operating a company vehicle. The following rules apply to all employees:

- Employees who have licensed firearms or other weapons in their cars must leave them in their cars and keep them out of sight and locked away
- Employees are not allowed to show others their firearms or weapons while on company premises
- Employees may not carry or possess weapons of any kind on their person
- Fake weapons, toy guns, water pistols or anything resembling a real weapon are subject to this policy

Employees aware of a weapon on the premises should notify the General Manager immediately. If a General Manager suspects an employee of carrying a weapon, the employee may be requested to put the weapon away or submit to a voluntary, minimally intrusive search.

Violation of this policy may result in disciplinary action up to and including termination of employment.

### **WORK HOURS/BREAKS**

Dealership showrooms and service operations are typically open Monday through Saturday with various open and close times depending on the dealership. Corporate administrative offices are generally open Monday through Friday 8am to 5pm.

The standard workday is consists of 8 hours including two 15 minute paid break periods and an unpaid lunch break. The lunch break is determined by your supervisor and/or department and is typically between one half-hour and one hour. Employees are highly encouraged to take a lunch break for purposes of replenishment and wellness.

At Management's discretion certain flexible hours or alternative work schedules may be approved (or restricted). Telecommuting is not allowed unless approved by the Owner, General Manager, or CFO.

## **GENERAL POLICIES**

### **BACKGROUND CHECKS**

The Company may utilize Consumer Reports - e.g. credit, criminal, employment references and Department of Motor Vehicle Reports (MVR's) to assist us in making employment decisions. In addition, we may conduct annual DMV checks to verify that the driver's licenses and driving records of those employees required to drive Company and Customer vehicles are valid and acceptable to our insurance carrier. The Company complies with the Fair Credit Reporting Act.

Prior to running any of the above mentioned checks/records, the applicant or employee must sign an authorization form. Refusal to sign such authorization is grounds for disqualification from employment with the Company.

In the event the information obtained in these reports results in an adverse action or decision, the Company will notify the employee or the applicant of the decision and why it was made. In the event the employee requests a copy of the report utilized to make the adverse decision, the Company will provide the report.

### **CELL PHONES FOR BUSINESS**

Use of cell phones as a part of specific job functions is allowed, i.e. sales calls, shuttle van driver, etc. However, state law does not allow for the use of handheld electronic devices while driving.

### **COMPANY BULLETIN BOARDS / SOLICITATIONS**

Other than programs and activities sponsored by the Company, no solicitation of any kind is permitted during working time or in work areas. Inappropriate and unapproved solicitation includes memberships, pledges, dues, sale of merchandise, raffles and the distribution or posting of literature, brochures or other notices. Occasional "fund raiser" items such as girl scout cookies, candy bars for kids' sports teams, holiday wreaths for cub scouts, etc. are permitted so long as solicitation is limited to the use of sign-up sheets and co-workers are not subjected to direct/personal requests to make purchases.

Individuals not employed by the Company may not solicit or distribute literature for any purpose at any time on Company premises. You should contact Human Resources if you become aware of such activity. Bulletin Boards are maintained to communicate Company announcements and other pertinent material. It is your responsibility to review the bulletin boards periodically. Please contact Human Resources if you would like to post a notice on a Company bulletin board.

### **COMPANY INFORMATION AND PROPERTY**

The protection of Company business information, property, and all other Company assets are vital to the interests and success of the Company. No company related information or property, including without limitation any documents, files, records, computer files, equipment, office supplies or similar materials (except in the ordinary course of performing duties on behalf of the Company) may be removed from the Company's premises.

### Return of Information and Property

When an employee leaves the Company, the employee must return all company related information and property that the employee has in his/her possession, including without limitation all documents, files, records, manuals, information stored on a personal computer or on a computer disc, supplies, and equipment or office supplies.

### Damage to Property

We have made a tremendous investment in our building and equipment in order to better serve our customers and to make your job easier. Deliberate or careless damage to the Company's, your co-workers' or customers' property will not be tolerated.

### Misuse of Property

No employee should misuse or use without authorization, equipment, vehicles or other property of customers, vendors, or other employees of the Company.

## **COMPANY KEYS**

Each company employee to whom a key is given is responsible for proper use of that key and will be required to sign for it. A lost or misplaced key must be reported immediately to your department manager. Never duplicate or loan a key to anyone for any reason. See your department manager if you need another key. In the event another employee or manager requests a copy of your key, please notify the General Manager immediately.

All keys must be turned in to your department manager upon separation from the Company. Employees who take an extended leave of absence must turn in any keys or tools prior to beginning their leave.

## **COMPANY VEHICLES**

It is the responsibility of all employees to take proper care of all Company vehicles, including (1) all doors must be locked when the vehicle is unattended, (2) no unauthorized passengers, (3) no unauthorized merchandise and (4) no unauthorized stops.

Only authorized employees may use company vehicles. If a company vehicle incurs any damage while under the charge of a particular employee, that employee is responsible for reporting the damage immediately. If the employee is determined to be at fault they will be responsible for any costs not covered by the Company's insurance policy.

You must hold a valid state driver's license for the class of vehicle you are driving. All people in company vehicles are required to use their seatbelts and obey all driving rules and regulations to include observing the proper speed limit at all times.

Not using seatbelts in a company vehicle may lead to disciplinary action, up to and including termination of employment. Only people authorized by your supervisor can be passengers in company vehicles. Permitting unauthorized passengers may lead to disciplinary action, up to and including termination of employment.

Any employee whose duties include the operation of company or customer vehicles who is cited for D.U.I., any other serious moving violation, or becomes uninsurable under the Company's liability policy will be considered to have an unacceptable driving record and his or her continued employment will be subject to review.

If an employee receives a traffic citation while operating a company or customer vehicle, the employee may be responsible for paying any fine or penalty. Situations will be reviewed on a case by case basis.

If an employee is involved in an accident while operating a company or customer vehicle the employee is required to call a police officer to the scene. The employee must report the accident to Management or Human Resources as soon as possible. Do not attempt to render medical care or assistance beyond your trained ability.

Employees are not allowed to use a motorcycle to conduct business or provide transportation for a customer or fellow employee.

While operating company vehicles, customer vehicles or personal vehicles in the dealership parking lots or other company property, driving speed should not exceed 10 miles per hour.

## **COMPLETION OF WORK**

Employees should not linger on company property before and after work. Once an employee is finished with work they should leave the premises.

## **CUSTOMER/NON-EMPLOYEE INJURIES**

The Company expects all of its employees to respond immediately to any customer or vendor who has been injured on premises. Employees may get help inside the building or call 911 if necessary. Employees should always contact their supervisor, and contact HR regarding all injuries.

Employees are expected to be sympathetic and offer assistance, and be careful not to either assign blame or admit blame for any accident involving a customer in a non-judgmental manner.

## **DEMONSTRATION DRIVES**

Salespersons will accompany customers on demonstration drives. Only with the General Manager's approval will a customer be allowed to drive a new or used automobile without being accompanied by a salesperson. The customer's driver's license should always be photocopied before beginning a demonstration drive. Salespersons must not ask a customer to go on a date, make sexual comments or propositions to a customer, or ask intrusive personal questions of a customer during a demonstration drive.

## **EMPLOYMENT OF RELATIVES**

The Company does allow relatives of current employees to accept positions with the Company but prefers that employees do not work under the direct supervision of a relative or on the same

shift. The employment of relatives of current employees must be approved by the General Manager.

Should two present employees marry or otherwise become closely related, they may not work in the same department nor may either serve in direct or indirect supervision of the other.

As a general rule, the Company will use its best efforts to reposition one of the family members to another suitable department. The Company's ability to reposition an employee will depend upon the employee's skill level and the Company's needs at the time. It is recommended that the married couple decide which employee should change positions.

Temporary employees who are employed for specific tasks or projects and seasonal employees may be exempted from this policy.

## **HEADPHONES**

Due to safety concerns the use of headphones for playing music from radios or MP3 players is not allowed.

## **INTERNAL COMPLAINT PROCEDURES**

To foster sound employee-employer relations through communication and reconciliation of work-related problems, the Company provides employees with an established procedure for expressing employment related concerns.

In situations where employees feel a complaint is in order, the following steps should be taken:

- 1) If an employee believes that he/she has a legitimate work-related complaint, the employee is encouraged to first attempt to resolve the issue(s) through discussions with his/her immediate supervisor.
- 2) If the situation is not resolved within an acceptable period of time the complaint is discussed with the employee's immediate supervisor, barring extenuating circumstances, it should be brought to the attention of the next level of management up to and including the General Manager, CFO, Owner, or the Human Resources department. The Company will attempt to resolve the complaint within a reasonable period of time while preserving the confidentiality and privacy of those involved to the extent feasible.

## **OUTSIDE EMPLOYMENT**

When an employee takes on the responsibility of an outside job the employee's efficiency, safety, health and attendance at the Company may be affected. The Company does not prohibit outside employment unless it interferes with the employee's job performance and/or work schedule. Should this be the case, the employee will be asked and expected to end or reduce his/her outside work hours as a condition of continued employment with the Company. In the event an employee believes it is in their best interest to seek a second job, they will be required to discuss the potential second job with their Manager to ensure a conflict of interest does not exist.

In general outside work activities are not allowed when they:

- Prevent the employee from fully performing work for which he or she is employed at The Company, including overtime assignments;
- Create a conflict of interest;
- Violate provisions of law or the Company's policies or rules.

From time to time, Company employees may be required to work beyond their normally scheduled hours. Employees must perform this work when requested. In cases of conflict with any outside activity the employee's obligations to the Company must be given priority.

## **PERSONAL MAIL**

All mail delivered to the Company is to be business related. Mail sent to you at the Company may be opened by office personnel and routed to your department. At no time should employees have personal mail or personal items sent to the Company.

The company postage meter is to be used by authorized personnel for company business only. Employees may not use the company postage meter for personal mail.

## **REFERENCE CHECKS**

Shearer Automotive will provide the following information concerning reference information on current or past employees:

- Verification of employment status
- Verification of position title
- Verification of employment dates
- Verification of salary – if given a salary figure or have a signed authorization

Other questions such as address and phone number will not be released without the written consent of the referenced person. No additional information may be provided to any outside party. Refer all questions for reference information to Human Resources.

## **SHOP NIGHTS / OFF DUTY USE OF FACILITIES**

“Shop Night” may be available to employee subject to approval of the General Manager, including the day of week and time period allowed. Shop night work should be limited to an employee personal vehicle, his/her immediate family, or other employee vehicle. Work should be limited to services that can be completed during the shop night period. The shop area is limited to company employees only. Other people are not allowed in the shop area. Employees are not allowed to be working in the shop area alone. A repair order must be opened up for gas, oil, grease and miscellaneous shop supplies used during shop night.

## **WORKPLACE RELATIONSHIPS**

The Company strives to provide a work environment that is collegial, respectful and productive. This policy establishes rules for the conduct of personal relationships between employees,

including supervisory personnel, in an attempt to prevent conflicts and maintain a productive and friendly work environment.

Although this policy does not prevent the development of friendships or romantic relationships between co-workers, it does establish boundaries as to how relationships are conducted during working hours within the working environment.

A “personal relationship” is defined as a relationship between individuals who have or have had a relationship of a romantic or intimate nature.

An employee who is involved in a personal relationship with another employee may not occupy a position where they would work directly for or supervise the employee with who he/she is involved, either directly or indirectly.

The Company reserves the right to take prompt action if an actual or potential conflict of interest arises concerning individuals who engage in a personal relationship that may affect the terms and conditions of employment. Supervisors and managers are prohibited from dating subordinates and may be disciplined for such actions, up to and including termination. In other cases where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or terminated from employment, at the discretion of the Company.

Any supervisor, manager, executive or other company official in a sensitive or influential position with the Company must disclose the existence of a romantic or sexual relationship with another co-worker. Disclosure may be made to the immediate supervisor or Human Resources. This disclosure will enable the Company to determine whether any conflict of interest exists because of the relative positions of the individuals involved.

When a conflict of interest or potential risk is identified, the Company will work with the parties involved to consider options for resolving the problem. The initial solution may be to make sure the parties no longer work together on matters where one is able to influence the other or take action for the other. Matters such as hiring, firing, promotions, performance management, compensation decisions and financial transactions are examples of situations that may require reallocation of duties to avoid any actual or perceived reward or disadvantage. In some cases, other measures may be necessary, such as transfer to other positions or departments.

The provisions of this policy apply regardless of the sexual orientation of the parties involved.

Any concerns or questions about the meaning or administration of this policy should be addressed to Human Resources.

## **INFORMATION TECHNOLOGY USE POLICY**

The Information Technology Use Policy defines acceptable use of the Company's electronic resources, including software, hardware devices, and network systems. Hardware devices, software programs, and network systems purchased and provided by the Company are to be used only for creating, researching, and processing company-related materials. By using the Company's hardware, software, and network systems you assume personal responsibility for their appropriate use and agree to comply with this policy and other applicable company policies, as well as national and local laws and regulations.

### **Telephone / Voicemail / Fax**

Company telephone, voicemail and facsimile services provided to employees are intended for the purpose of conducting Company business. Non-business related calls or faxes are a strain on company time. Personal calls must be kept to a minimum.

### **Personal Cell Phone Use**

While at work employees are expected to exercise the same discretion in using personal cellular phones as is expected for the use of Company phones. Employees are asked to make personal calls on non-work time. Similarly, incoming calls are to be limited and should never interrupt the interaction with a customer or distract other employees.

### **Email**

Email is to be used for business purposes. Non-work related emails are discouraged and must be kept to a minimum. Company confidential information must never be emailed outside of the Company.

Company-wide email distributions such as announcements, bulletins, newsletters, or other communications requires management level approval in advance of the distribution.

Outlook should not be used to permanently store messages and their attachments. Messages should be deleted or saved on a hard drive, company jump drive or company document server.

### Email Etiquette

Emails should be business oriented, fact-based, and friendly. Work issues, mistakes, problems, or conflicts with others in the workplace must not be addressed through back-and-forth email "jousting" with other employees. Bullying or intimidating language communicated through email will not be tolerated. Foul language in emails is prohibited.

Emails that may be offensive to others such as questionable jokes or stories are not allowed. Any emails that discriminate against employees by virtue of any protected classification including but not limited to race, gender, nationality, religion, etc. are strictly prohibited.

If you feel you have been subjected to or participated in email communications that are not in line with this policy please bring it to the attention of your supervisor or Human Resources.

## Strategies for Effective Emails

- Keep all messages as brief as possible
- Check attachments before sending to make sure it is the correct attachment
- Apply proper business writing, correct grammar, spelling and punctuation
- Follow up in a polite manner if a response has not been received. A non-response to an email should not be taken as an offense - simply check back with the individual for an update
- Read all messages and respond regularly
- Avoid the use of typing a message in all capital letters
- Be careful not to use the 'Reply All' function when not intended
- Discuss sensitive issues in person rather than via email

## **Instant Messaging / Social Networking**

Use of instant messaging “chat” services is only allowed between employees for business purposes or by sales people to converse with customers on our company web sites. Personal chat services are not allowed under any circumstances. Social networking is not allowed on company time and social networking sites must not be accessed from Company computers. Engaging in arguments or conflicts with other employees through chat is strictly prohibited. Intimidating behavior toward others or foul language is strictly prohibited.

## **Internet Use**

Internet use on Company time is intended for Company business. Occasional personal internet use is permissible as long as it does not interfere with work or consume large amounts of bandwidth. Access to news stories, sports scores, or other sources of information are available but should be kept to a minimum. Allowable personal internet use is advised only during break times or before or after normal work hours. Streaming media for personal use is strictly prohibited.

Internet use brings the possibility of breaches to the security of confidential Company information. Internet use also creates the possibility of contamination to our system via viruses or spyware.

Under no circumstances may Company computers or other electronic equipment be used to obtain, view, or reach any pornographic or otherwise immoral, unethical, or offensive internet sites.

## **Company Owns Employee Email and Internet**

Keep in mind that computer use is randomly monitored, and that the Company owns any communication sent via email or stored or accessed on company equipment. Management and other authorized staff have the right to access any material in your email or on your computer at any time and without prior notice. Please do not consider your company electronic communication, storage, or access to be private.

## **Violations and penalties**

Penalties for violating the IT Policy will vary depending on the nature and severity of the specific violation. Any employee who violates the IT Policy may be subject to:

- Disciplinary action up to and including termination of employment
- Civil or criminal prosecution

## **PAID LEAVES OF ABSENCE**

### **PAID TIME OFF (PTO):**

Paid Time Off is to be used for any employee absence, planned or unplanned, including vacation, personal time, illness, or injury that is not work related. The intention of this program is to ensure that an employee's pay remains whole as long as there is available paid time to be used.

Employees can use their PTO for any of the following reasons:

- Vacation
- Personal time
- For the employee's own illness or injury, or to obtain preventive medical care;
- To care for immediate family members who are sick or injured, or to assist them with obtaining preventive medical care;
- To care for immediate family members when the family member's school or business is closed for public health or safety reasons;
- To arrange for social or legal services, or to obtain medical care or counseling when the employee or an immediate family member is a victim of domestic violence, sexual assault or stalking

Full-time employees will accrue their PTO according to the following schedule:

<b>Years of Service</b>	<b>Total Days Accrued/Year</b>	<b>Total Hours Accrued/Year</b>
Within Year 1	7 Days	56 hours
Completion of Year 1 through Completion of Year 10	13 Days	104 hours
Completion of Year 10 and beyond	19 Days	152 hours

Part-time regular employees will accrue their PTO according to the following schedule\*:

<b>PTO</b>	<b>Yearly Cap</b>
1 hour for every 52 hours worked	40 hours

\*This does not apply to non-regular part-time employees, such as swap drivers, temporary employees, etc.

#### Calendar Year Basis

PTO is “Pre-loaded” at start date and at the beginning of each calendar year. New employees start earning PTO hours on the first of the month after the month in which they start.

Hours available for the year will show on employee pay stubs. Technically hours are earned on a monthly basis. Therefore not all hours may be available for immediate use.

#### PTO Reporting

Managers will approve time off on a case by case basis. Vacation requests should be done at least 30 days in advance or as soon as possible. Managers will report PTO time taken by themselves and their employees through the Sage Time system. PTO must be approved by managers and should be recorded in the payroll period taken.

Employees must use accumulated PTO hours before unpaid time will be considered except in the case of an FMLA or similar approved leave. However, on a case by case basis at Management’s discretion PTO may be advanced or unpaid time may be granted, if the employee has no PTO available.

#### PTO Carry Over

Employees will not be able to carry over any PTO time\*. January 1<sup>st</sup> starts a new accumulation.

\*Exception: Employees hired between July 1<sup>st</sup> and December 31<sup>st</sup> of any year will automatically carryover all of their remaining accumulated PTO time. They are also eligible for the cash-out option.

#### Cash Out Option

One time starting October 1<sup>st</sup> of each year (4<sup>th</sup> quarter) employees may opt to cash out up to 40 hours of their PTO.

#### Payout at Termination

PTO time used in excess of an accrued balance is subject to repayment if the employee leaves employment prior to earning those PTO hours. Management reserves the right to withhold payment of a PTO balance in the case of a resignation without at least two weeks’ notice, or in certain cases of termination due to an employee’s misconduct.

If any PTO is due to be paid out at separation, actual earned PTO will be calculated based on the time in the job and prorated to the employee’s last day. PTO earned will not be based on the entire calendar year balance that may be showing on paycheck detail.

## **HOLIDAYS**

The Holiday Program is intended to provide paid time off on The Company designated holidays listed below:

New Year's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Christmas Day

An unauthorized absence on the day preceding or following a holiday *forfeits* holiday pay. If a holiday falls during your approved scheduled vacation you will receive the holiday.

Part time employees working less than 32 hours per week are not eligible for Holiday pay. Regular employees are not eligible for holiday pay until after 90 days of employment.

If an employee scheduled to work on a holiday calls in sick on the holiday or the day proceeding or following the holiday, the illness must be confirmed by the employee's physician in order to receive PTO.

## **BEREAVEMENT LEAVE**

Employees may have up to three days off with pay to attend the funeral of immediate family members. This consists of parents, spouse, natural or legally adopted children, stepchildren, stepparents, brothers, sisters, grandparents, grandchildren, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, and son-in-law.

## **UNPAID LEAVES OF ABSENCE**

### **GENERAL UNPAID TIME**

Unpaid time may be granted in certain situations where employees have run out of PTO hours or are not eligible for any other leave of absence. General unpaid time will be considered on a case by case basis.

### **JURY DUTY**

Employees will be granted unpaid time if they are called for jury duty, court service or if they are subpoenaed as a witness. If the time away from the workplace exceeds 90 days the employee may be placed on a leave of absence.

If released for the day while serving, employees are expected to return to work if they are able to complete four hours or more of work within their normal work schedule.

### **MILITARY LEAVE**

The Company complies with the Uniformed Services Employment and Reemployment Rights Act (USERRA). A Military Leave of Absence will be granted if employment is interrupted, voluntarily or involuntarily, by your active military duty, active or inactive duty training activities, or by reporting for examinations to determine fitness for military service. All full-time and part-time employees are eligible for military leave. Military leaves are unpaid unless you request in advance to use available Paid Time Off for all or part of the leave.

National Guard and Reserve unit active duty or training leave will be granted as unpaid time. A written schedule of training dates should be submitted as far in advance as possible so your supervisor can schedule work accordingly.

Additional Military Leave rights are outlined in the Family and Medical Leave Act policy.

### **TIME OFF TO VOTE**

On officially designated election days for state and national general elections and town meetings, employees will be allowed reasonable unpaid time off to vote or attend. Employees must notify their supervisor if time will be taken during normal working hours to vote. Employees are encouraged to vote before or after normal working hours.

## FAMILY AND MEDICAL LEAVE ACT (FMLA)

Employees in need of an FMLA leave of absence should contact Human Resources for information and to initiate the process. Human Resources will communicate with employees and provide information, determine eligibility, and supply the necessary required forms to process the leave of absence.

### Overview

The FMLA entitles eligible employees to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. At the conclusion of the leave, subject to some exceptions, an employee generally has the right to return to the same or an equivalent position. Eligible employees are entitled to:

Up to twelve workweeks of leave in a 12-month period for:

- the birth of a child and to care for the newborn child within one year of birth, or the placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement (Bonding Leave);
- to care for the employee's spouse, child, or parent who has a serious health condition (Family Care Leave);
- a serious health condition that renders the employee unable to perform the essential functions of his or her job (Serious Health Condition Leave);
- qualifying exigencies that arise if an employee's spouse, son, daughter, or parent is on covered active duty or called to active duty as a member of the National Guard or Reserves in support of a contingency operation (Military Emergency Leave);

Up to twenty-six workweeks during a *single* 12-month period for:

- the care of a covered service member (Armed Forces, National Guard, or Reserves) or Veteran with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (Military Caregiver Leave).

### Definitions

**“Spouse,”** means a husband or wife as defined or recognized under state law for purposes of marriage in the state where the employee resides, including “common law” marriage and same-sex marriage.

**“Child,”** for purposes of Bonding Leave and Family Care Leave, means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability at the time that Family and Medical Leave is to commence. **“Child,”** for purposes of Military Emergency Leave and Military Caregiver Leave, means a biological, adopted, or foster child, stepchild, legal ward, or a child for whom the person stood in loco parentis, and who is of any age.

**“Parent,”** for purposes of this policy, means a biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the person. This term does not include parents “in law.” For Military Emergency leave taken to provide care to a parent of a military member, the parent must be incapable of self-care, as defined by the FMLA.

**“Covered Active Duty”** means (1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty (or notification of an impending call or order to active duty) in support of a contingency operation as defined by applicable law.

**“Covered Service member”** means (1) a member of the Armed Forces, including a member of a reserve component of the Armed Forces, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness incurred or aggravated in the line of duty while on active duty that may render the individual medically unfit to perform his or her military duties, or (2) a person who, during the five (5) years prior to the treatment necessitating the leave, served in the active military, Naval, or Air Service, and who was discharged or released therefrom under conditions other than dishonorable (a “veteran” as defined by the Department of Veteran Affairs), and who has a qualifying injury or illness incurred or aggravated in the line of duty while on active duty that manifested itself before or after the member became a veteran. For purposes of determining the five-year period for covered veteran status, the period between October 28, 2009 and March 8, 2013 is excluded.

**“Qualifying Exigencies”** for military leave means a broad range of events and activities such as short notice deployment, childcare and school activities, financial and legal arrangements, rest and recuperation, post-deployment, counseling, and military events. For purposes of an exigency leave related to childcare and school activities the military member must be the spouse, parent, or child of the employee seeking leave, but the child for whom the leave is sought need not be the child of the employee requesting leave. For example, the parent of the military member may take leave to care for the military member’s child (their grandchild).

**“Serious illness or injury” for military leaves** includes a wide range of service-related issues. Definitions are available on the Department of Labor website or upon request from Human Resources.

#### **“Serious Health Condition” for non-military leave**

“Serious health condition” means an illness, injury, impairment, or physical or mental condition that involves either:

- Inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility, including any period of incapacity (i.e., inability to work, attend school, or perform other regular daily activities) or subsequent treatment in connection with such inpatient care; or
- Continuing treatment by a health care provider, which includes:

(1) A period of incapacity lasting more than three consecutive full calendar days, and any subsequent treatment or period of incapacity relating to the same condition that also includes:

- Treatment two or more times by or under the supervision of a health care provider (*i.e.*, in-person visits, the first within 7 days and both within 30 days of the first day of incapacity); or
- One treatment by a health care provider (*i.e.*, an in-person visit within 7 days of the first day of incapacity) with a continuing regimen of treatment (*e.g.*, prescription medication, physical therapy); or

(2) Any period of incapacity related to pregnancy or for prenatal care. A visit to the health care provider is not necessary for each absence; or

(3) Any period of incapacity or treatment for a chronic serious health condition which continues over an extended period of time, requires periodic visits (at least twice a year) to a health care provider, and may involve occasional episodes of incapacity. A visit to a health care provider is not necessary for each absence; or

(4) A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective. Only supervision by a health care provider is required, rather than active treatment; or

(5) Any absences to receive multiple treatments for restorative surgery or for a condition that would likely result in a period of incapacity of more than three days if not treated.

### **Eligible Employee**

An employee is eligible for FMLA Leave if she/he has worked for the Company for a total of at least 12 months (whether consecutive or nonconsecutive) and has worked at least 1250 hours total within the 12-month period immediately preceding the leave.

### **The 12-Month Period**

An employee's leave entitlement consists of any balance of the 12 weeks that has not been used during the immediately preceding 12 months measured back from the present day (rolling method), except in regard to care for a covered service member (see below).

The 12-month period for Military Caregiver Leave is measured forward from the date of an employee's first FMLA leave to care for the service member. An employee can use no more than a total of 26 weeks of FMLA leave during that 12-month period, and no more than 12 of those weeks can be taken for reasons other than caring for a covered service member.

### **Intermittent or Reduced Leave**

When medically necessary an employee may take "intermittent" leave - leave in separate blocks of time for a single qualifying reason, or "reduced" leave - reducing the employee's usual weekly or daily work schedule. In such cases, the total number of hours or days of leave taken by the employee is limited to the equivalent of twelve (12) workweeks for that employee.

Employees must make a reasonable effort to schedule necessary medical treatments so as to not unduly disrupt the Company's operations.

If an employee needs intermittent leave or leave on a reduced schedule the Company may transfer the employee to an available alternative position with equivalent pay and benefits if that position can accommodate the recurring periods of leave better than the employee's regular job.

### **Maintenance of Health Benefits**

During FMLA leave an employee is entitled to continued group health plan coverage under the same conditions as if the employee had continued to work. To the extent that an employee's FMLA leave is paid, the employee's portion of health insurance premiums will be deducted from the employee's salary. For the portion of FMLA leave that is unpaid, the employee's portion of health insurance premiums must be paid by the Employee to the Company on a monthly basis.

If the employee's payment of health insurance premiums is more than 30 days late, the Company may discontinue health insurance coverage upon notice to the employee.

### **Use of Paid and Unpaid Leave**

If an employee has a PTO balance the employee may request use of PTO for all or part of the leave. Or, they may save all or part of their PTO balance. Any short-term disability benefits that apply will run concurrently with the leave period. The substitution of paid leave for unpaid leave does not extend the leave period including workers' compensation injury/illnesses that meet FMLA requirements.

### **Holidays**

Full time regular employees on FMLA leave will be paid for any holidays during the leave and the holiday will count toward the leave period.

### **Limitations on FMLA Leave**

Leave to care for a newborn or for a newly placed child must conclude within 12-months after the birth or placement of the child.

If both spouses are employed by the Company, they are together entitled to a combined total of twelve (12) workweeks of leave during any 12-month period for the birth, adoption or foster care placement of a child, or to care for the employee's parent who has a serious health condition.

If both spouses are employed by the Company, they are together entitled to a combined total of twenty-six (26) workweeks of leave during any 12-month period to care for a covered service member with a serious injury or illness sustained in the line of duty. The 26 weeks will be reduced by the amount of family leave that may be taken during the 12 month period for other qualifying FMLA events such as a birth of a child, etc.

## **Employee Notice Requirements**

Whenever the need for leave is foreseeable an employee must give the Company at least 30 days advance notice before commencement of the leave.

When the need for leave is not foreseeable at least 30 days in advance, an employee must give notice to the Company as soon as practical, generally either the same or next business day after learning of the need for leave. An employee's failure to give timely notice under the circumstances may result in the delay of FMLA coverage.

An employee must give the Company sufficient information to determine whether a requested leave is covered by the FMLA. Employees may also need to provide periodic recertification and/or other necessary support documents and keep the Company updated with any changes during the leave.

## **Employer Notice Requirements**

After an employee notifies the Company of the need for FMLA leave the Company will provide the employee with the proper forms and notices explaining the employee's rights and responsibilities under the FMLA. Once the Company receives sufficient information to determine eligibility it will notify the employee whether or not a requested leave will be designated as an FMLA leave.

## **Medical Certification of Fitness to Return to Work**

The Company may require employees to submit a fitness for duty certification from the employee's health care provider that the employee is able to resume work.

## **Reinstatement**

Upon return from leave employees will be restored to the same position or to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment unless subject to limitation as described below.

### Limitations on Reinstatement

A guarantee of restoration shall not apply to certain highly compensated "key" employees if necessary to avoid substantial and grievous economic injury to the Company's operation. The Company will notify in writing those employees who have been classified as "key" employees.

An employee is entitled to reinstatement only if he/she would have continued to be employed had FMLA leave not been taken. Thus, an employee is not entitled to reinstatement if, because of a layoff, reduction in force or other reason, the employee would not have been employed at the time job restoration is sought.

## **Failure to Return to Work following an FMLA Leave**

If the employee does not return to work following the conclusion of FMLA leave, the employee will be considered to have voluntarily resigned.

## **SAFETY AND SECURITY**

### **EMPLOYEE SAFETY**

It is the goal of the Company to provide a clean, safe and healthy work environment for all employees. This goal can only be achieved through the commitment of each employee to understand and observe all safety rules, to be aware of and report observed safety issues, and to assist in keeping work areas neat and clean.

#### **Emergency Response**

The Company recognizes that from time to time there may be unplanned events that may require employees to take immediate action, solve problems, answer questions and otherwise do whatever is necessary to maintain the integrity of the Company and/or Company operations.

Do not hesitate to call 911 in case of an Emergency.

Be prepared to give the following information:

- Location: Building address and entrance identification
- Identify yourself and business name
- State your phone number
- Specifics of the situation or condition of the patient

Instruct one person to greet the police, firefighters, or paramedics.

In the event of Fire employees must exit the building to the nearest parking lot. Supervisors must account for their reports by headcount and do their best to ensure everyone has made it out of the building.

In case of a Severe Storm or Tornado employees must seek shelter in designated areas of their facility or office. Supervisors must account for their reports by headcount and do their best to ensure everyone has made it to the designated area.

#### **First Aid**

A first aid kit is available at each Company facility for any minor injuries. Please see your manager for the location of the kit(s) in your facility.

#### **Safety After-Hours**

Employees working after regular business hours should be aware of their surroundings when walking to their cars after work. Especially during darkness, if you feel unsure about anything, do not take the risk. Have another employee accompany you to your vehicle.

#### **Safety Glasses**

Safety glass eye protection is required for all work where a reasonable risk of potential eye injury exists (i.e. working underneath a vehicle). Safety glass eye protection is not necessary during non-hazardous activities (i.e. washing a vehicle).

## **Safety Policies**

Shearer Automotive has defined specific policies relating to the safety requirements of facilities and employees under separate cover. Management will conduct safety evaluations on a regular basis and welcomes employee feedback on any safety issues identified in the course of their work.

### **Work Related Injury or Illness**

Employees must immediately report all work-related injuries or illnesses (no matter how minor) to their supervisor. As result of a work-related injury or illness, a First Report of Injury will be completed to fulfill OSHA and workers' compensation requirements.

Compensation for work-related injuries or illnesses will be made in accordance with the provisions of the workers' compensation program and applicable laws. Generally this includes medical bills and payments for loss of work time.

Employees must keep supervisors informed as to how long they will be unable to work and when they expect to return. Human Resources will offer assistance with claims and consult with supervisors and employees regarding light-duty work if necessary.

Employees will be required to provide a release from a physician upon return to work. The Company reserves the right to require an independent medical exam by a physician of its choice.

## **COMPANY SECURITY**

### **Electronic Surveillance**

The Company may use electronic surveillance devices to monitor Company premises for instances of theft and other unauthorized acts. Employees should have no "expectation of privacy" while at work with the exception of Company restrooms.

### **Employee Theft**

The Company values the integrity and honesty of all its employees. While infrequent, theft by employees is a genuine concern for any company.

Reporting Internal Theft - If you witness theft you must inform Management. Be prepared to respond to specific questions such as when the incident was observed, who was involved, and a description of what occurred. You are expected to share any and all information requested. In most cases specific investigation of theft or other crimes will be turned over to the police.

### **Internal Investigations and Searches**

The Company may conduct internal investigations pertaining to security, auditing, or work-related matters. Employees are required to cooperate fully with and assist in these investigations if requested to do so. Whenever necessary, at the Company's discretion, work areas (i.e., desks, file cabinets, tool bins, etc.) may be subject to search without notice. Personal belongings (i.e., brief cases, handbags etc.) may be searched in the presence of the employee.

## **DISCIPLINARY PROCESS**

The Company recognizes that there may be situations where an employee's skills, capabilities, behaviors or conduct are not properly aligned with their position and its responsibilities. In most cases this is communicated to the employee through various stages of meetings, and, if necessary, disciplinary procedures.

Disciplinary action is generally taken in the following sequence. However, any of the following actions may be taken depending on the situation:

### Counseling

General discussions between the supervisor and the employee that encourage a more acceptable level of performance. The supervisor will keep notes on the meeting. These notes or other documentation of the meeting(s) may be copied to the employee's personnel file at management's discretion.

### Verbal Warning

A discussion between the supervisor and the employee of a more serious nature. A memo with details of the warning is placed in the employee's personnel file.

### Written Warning

A discussion with formalized documentation of prior discussions, poor performance, and specific incidents. The letter issued to the employee communicates the consequences if improvement is not made. The written warning is placed in the employee's personnel file.

### Suspension

An unpaid suspension of work for a specified period of time.

### Termination of Employment

Involuntary separation from the Company.

The Company reserves the right to determine the appropriate level of disciplinary action to implement in response to each situation without regard to whether prior disciplinary action has been taken.

## **LEAVING THE COMPANY**

### **RESIGNATION**

We ask that employees who decide to terminate submit a letter of resignation to their manager at least two weeks prior to their final day of employment. If a holiday falls within the last week of the employment, the employee must work through that Friday to be paid for the holiday. If a holiday falls on a Friday, the employee must work through the following Friday to be paid for that holiday.

In the days following an employee's final day, a termination letter will be mailed, summarizing relevant payroll and benefit information.

Terminating employees will be required to turn in all Company property on their final day. This will include all computers, printers, fax machines, mobile phones, credit/calling/purchasing cards, electronic records, files, passwords to voice and electronic files, security cards, keys, company issued uniforms, etc.

### **DISMISSAL**

There may be occasions where an employee's position must be eliminated for economic reasons or to support organizational change. If no other suitable position is available the termination will be classified as a layoff.

In any other situation where the Company decides an involuntary termination of employment is necessary the Human Resources department will be available to assist with subsequent matters of final pay, benefits continuation, equipment returns, etc.