

## GENERAL STATEMENTS, POLICIES

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**A. Scope.**

The policies and procedures set forth in this Handbook are for the general guidance of the Company's employees of the Mission Yogurt, Inc. (the "Company") and are not intended to cover every specific act or duty. In addition to these policies and procedures, it is the duty of each employee to comply with the written and oral directions, instructions and requests of his or her supervisors. Strict compliance with these policies and procedures and the instructions and directions of supervisors is essential to the success of the Company.

**B. Employees' Responsibility to Know and Understand All Policies and Procedures.**

All employees of the Company are responsible for knowing and understanding the Company's policies and procedures and shall comply therewith. If an employee has any questions or concerns about any policy or procedure of the Company, the employee should ask his or her supervisor for clarification before taking any action that could be deemed a violation of the policy or procedure in question.

**C. No Contractual Rights—Employment at Will.**

**NOTICE:** This Handbook is not intended and shall not be construed to grant contractual rights to any employee or third party. The policies and procedures set forth in this Handbook apply to all employees of the Company and do not constitute a contract of employment or any part thereof, either express or implied. Except as provided in Chapter 2, Paragraph A, and notwithstanding any representations contained in any employment application, Company forms, other Company documents, policies, or any statements made by any agent of the Company, all of the employees of the Company have an at-will relationship with the Company. As a result of such at-will relationship, all employees of the Company are free to resign or leave their employment with the Company at any time and for any reason, with or without cause, and with or without notice, subject only to the applicable requirements of state or federal law. Likewise, the Company is free to discontinue your employment at any time for any reason, with or without cause, and with or without notice, subject only to the applicable requirements of state and federal law.

**D. Amendments.**

These policies and procedures may be changed from time to time by the Company as it deems appropriate, and those changes may be incorporated into this Handbook. However, regardless of whether any changes are physically incorporated into this Handbook, they shall take effect immediately upon adoption by the Company, and it is the responsibility of each employee to determine whether there have been any changes.

**E. Severability.**

If any part of this Handbook is held by judicial review to be invalid, every other part of the Handbook not specifically held to be invalid shall continue in full force and effect.

## EMPLOYMENT POLICIES

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### A. At-Will Employment.

The Company considers the freedom of the Company and its employees to terminate the employment relationship to be a valuable and important right. **All employees of the Company are employed at-will. This means that all employees of the Company are free to leave the Company at any time and for any reason. Similarly, the Company may terminate any employee at any time, with or without notice and with or without cause.**

No supervisor, manager, or representative of the Company other than the President has the authority to enter into any agreement with you for employment for any specified period or to make any promises or commitments contrary to the Company's policy of at-will employment. Further, any employment agreement entered by the President shall not be enforceable unless it is in writing and is signed by the President.

### B. Equal Employment Opportunity.

The Company provides equal employment opportunities to all employees and applicants for employment without regard to race, creed, color, religion, sex, national origin, age, ancestry, disability, sexual orientation, marital status, or veteran status. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, lay-off, leaves of absence, compensation, and training.

### C. Discrimination and Harassment Prohibited.

The Company expressly prohibits any form of unlawful employee harassment or discrimination based on race, creed, color, religion, sex, national origin, ancestry, age, disability, veteran status, marital status, sexual orientation, or status in any other group protected by federal, State, and local law. Improper harassment which interferes with the ability of an employee to perform his or her duties will not be tolerated.

### D. Sexual Harassment Prohibited.

The Company maintains a policy of providing a working environment free of sexual harassment. Sexual harassment, verbal, physical or otherwise, is unacceptable and is prohibited and will not be tolerated. Sexual harassment includes, but is not limited to, unwelcome sexual advances; requests for sexual favors; use of sexual innuendos, slurs, or jokes; repeated unsolicited verbal comments, gestures, use or display of sexually suggestive or oriented magazines, publications or other materials, or any other verbal conduct or physical contact of a sexual nature. Decisions affecting a term or condition of employment, assignment, promotion, compensation, career advancement and

development, and termination based upon submission to or rejection of such conduct are prohibited and shall not be tolerated.

**E. Procedure for Reporting Harassment or Discriminatory Treatment.**

1. Reporting

Any unwelcome behavior which is considered harassment, sexual or otherwise, or which the employee believes constitutes discrimination, must be reported to the employee's supervisor immediately. If the unwelcome behavior which the employee considers to be harassment or discrimination involves the employee's supervisor, the employee shall report his or her concern to the next level supervisor in the employee's chain of supervision. If the report concerns sexual harassment, the employee may request that a person of the same gender be designated to receive the report from the employee. Information reported concerning an employee's claim of sexual harassment will be treated confidentially and disclosed only to those with a "need to know". An employee will not be subject to any retaliatory action because of reporting conduct that the employee considers to be harassment or discrimination.

2. Investigation

Once a complaint of harassment or other unwelcome conduct has been reported the complaint will be investigated immediately by the Company. The complaining party, the accused, and any witnesses will be interviewed separately to establish the facts of the situation.

3. Resolution

After the facts have been determined, both the employee who brought the complaint and the employee accused of harassment or discrimination will be advised of the results of the investigation by the Company.

If the investigation substantiates the complaint, appropriate disciplinary action will be initiated.

**F. Non-Discrimination Against and Accommodation of Individuals with Disabilities.**

It is the policy and practice of the Company to comply with the Americans with Disabilities Act and all applicable state and local laws providing for non-discrimination in employment against qualified individuals with disabilities. The Company also provides reasonable accommodation for such individuals in accordance with the laws.

**G. Procedure for Employees to Request Accommodation.**

Qualified individuals with disabilities may make requests for reasonable accommodation(s) to the Company's President. All such requests shall be in writing. Upon receipt of an accommodation

request, the President will meet with the requesting individual to discuss and identify the precise limitations(s) resulting from the employee's claimed disability and the potential accommodations that the Company might make to help overcome those limitation(s), and, if necessary, other Company representatives identified as having a need to know, 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 facility'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 its business.

The employee requesting accommodation will be informed of the Company's decision on the accommodation request within a reasonable period.

#### Pregnancy Accommodation (Colorado only)

Employees have the right to be free from discriminatory or unfair employment practices because of pregnancy, a health condition related to pregnancy, or the physical recovery from childbirth.

Employees who are otherwise qualified for a position may request a reasonable accommodation related to pregnancy, a health condition related to pregnancy or the physical recovery from childbirth. If an employee requests an accommodation, the Company will engage in a timely, good-faith, and interactive process with the employee to determine whether there is an effective, reasonable accommodation that will enable the employee to perform the essential functions of her position. A reasonable accommodation will be provided unless it imposes an undue hardship on the Company's business operations.

The Company may require that an employee provide a note from her health care provider detailing the medical advisability of the reasonable accommodation. Employees who have questions about this policy or who wish to request a reasonable accommodation under this policy should contact their Human Resources representative.

The Company will not deny employment opportunities or retaliate against an employee because of an employee's request for a reasonable accommodation related to pregnancy, a health condition related to pregnancy, or the physical recovery from childbirth. An employee will not be required to take leave or accept an accommodation that is unnecessary for the employee to perform the essential functions of the job.

#### **H. Communication/Open-Door Policy.**

The Company's management has an open-door policy regarding all employees. Communication is extremely important in running a successful business and therefore is encouraged by the Company.

#### **I. Reference Inquiries.**

It is the policy of the Company to release employment information only upon receipt of a specific written request from a properly identified individual who has a legitimate right to know the information being released. In the absence of employee consent or other legal requirements, in response

to such inquiries, it is the Company's policy to disclose only employment dates and the position(s) held. All requests for references must be directed to the Company's President or Secretary.

**J. Alcohol Policy.**

Serving alcohol is a privilege granted to the Company by the community, therefore it is our responsibility to serve alcohol in a manner that it does not cause harm to the individual or the community. It is the Company's policy that no minor or visibly intoxicated person shall be served alcoholic beverages. Employees must card anyone ordering an alcoholic beverage that does not appear to be over the age of 40. Serving under aged and intoxicated persons is unlawful and can have criminal penalties. It is the responsibility of every team member and manager involved with serving alcohol to be familiar with the signs of intoxication and the liabilities associated with serving alcohol. Alcohol serving responsibilities are generally defined as, but not limited to: thoroughly inspecting proper identification, ensuring minors are not served alcohol on the premises, monitoring for over-consumption, and prohibiting the serving of alcohol to any guest who is visibly intoxicated. Team members who violate alcohol serving responsibilities will be terminated immediately.

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## COMPENSATION POLICIES AND WORK SCHEDULES

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### A. **Classifications of Employment.**

For purposes of salary administration and eligibility for overtime payments and employee benefits, the Company classifies its employees as follows:

#### 1. Probationary Employees

All new employees of the Company shall be considered probationary employees for the probationary period. The probationary period for all new employees is 90 days.

During the probationary period, each new employee of the Company will be closely monitored. During this time, the new employee's supervisor will work closely with the employee to assist the employee in learning his or her job. The employee's supervisor will have an opportunity to observe the employee's aptitude and attitude on the job, along with the employee's records of attendance and punctuality. An employee who is retained by the Company after the probationary period shall become a regular employee of the Company immediately upon the conclusion of the probationary period.

Successful completion of the probationary period shall not change any employee's status as an at-will employee.

#### 2. Full-Time Regular Employees

A full-time regular employee is one who has satisfactorily completed his or her probationary period and who works a 32 plus -hour work week on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below. Full-time regular employees share in the Company's benefits as set forth herein.

#### 3. Part-Time Regular Employees

A part-time regular employee is one who has satisfactorily completed his or her probationary period and who works less than 32 hours per week on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below. Part-time regular employees are not entitled to share in the employment benefits provided by the Company (such as those benefits described in the handbook) unless it is expressly stated herein or in other written statements issued and signed by an authorized representative of the Company.

#### 4. Temporary Employees

Temporary employees are employees who work either full or part-time. Such employees are engaged by the Company for a specific period (such as summer) or for a specific project. Such employees may be “exempt” or “non-exempt” as defined below.

Temporary employees are not entitled to share in the benefits of employment provided by the Company unless it is expressly stated herein or in a written statement issued and signed by an authorized representative of the Company.

#### 5. Exempt and Non-Exempt Employee Classifications

The employee will be informed of his or her initial employment classification and status as an exempt or non-exempt employee when hired. If the employee changes positions as a result of promotion or otherwise, the employee will be informed of any change to his or her exemption status.

##### **a) Exempt Employees.**

Exempt employees are employees who are not required to be paid overtime in accordance with applicable federal or state wage and hour laws for work performed beyond 40 hours in a work week or beyond 12 hours in a workday. Executives, professional employees, managers, supervisors, outside sales representatives, and certain employees in administration positions are typically exempt where all the requirements of the Fair Labor Standards Act are met. For example, managers and administrators who are paid on a salary basis, whose primary function is connected with the management or supervision of a facility and/or at least two employees of the facility and who routinely exercise business discretion which affects the day to day management and supervision of the business or facility are typically exempt.

##### **b) Non-Exempt Employees.**

###### Overtime for Employers Subject to Colorado Minimum Wage Order

From time to time, your supervisor may require you to work overtime. In these instances, you are given as much advance notice as practical.

For nonexempt employees, hours worked in excess of 12 hours in a day, 12 consecutive hours without regard to the starting and ending time of the workday, or 40 hours per workweek, whichever results in the greater payment of wages, are paid at one and one-half (1 1/2) times the employee's regular hourly rate. When a non-exempt employee has daily overtime and weekly overtime hours, the payment of daily overtime counts toward the payment of the weekly overtime. The established workweek begins at 12:00 a.m. midnight on Monday and ends at 11:59 p.m. on Sunday. Examples of employees who are typically non-exempt include those employees whose primary duties consist of ministerial duties or manual labor, who are paid by the hour or shift and who have little or no say in the management of the business or the facility where they work. Waiters, waitresses, bus staff, and bar staff, whose primary duties are to provide customer service, are typically non-exempt.

For purposes of calculating overtime payments, only hours worked are counted. Consequently, hours paid but not worked, e.g., vacation, are not counted.

**B. Questions Regarding Employment Classification.**

Employees should direct any questions regarding their employment classification or exemption status to the Company's Payroll and HR department.

**C. Work Hours.**

In the restaurant business, there are no standard hours. Rather, customers dictate the kinds of restaurant locations and hours that the Company operates. Accordingly, each employee's working hours and schedule will be established either by the General Manager or Supervisor of the restaurant facility where the employee works, as set forth in Paragraph D hereafter, or by the Company management.

**D. Preparation and Posting of Work Schedules.**

Each employee who is attending school while working for the Company must complete and submit an Availability Form, which is provided by the Company, to his or her immediate supervisor at the beginning of each school semester or quarter. The work schedule for the period encompassing the semester or quarter shall then be prepared by the Company based on the availability of each employee submitting an Availability Form for that period. Once the schedule for a particular period has been prepared, any change in an employee's availability as a result of school must be submitted in writing to the employee's immediate supervisor and is subject to the approval of the General Manager of the restaurant facility where the employee works.

Weekly work schedules for all restaurant employees will be posted on Saturday by 7:00 p.m. for the following work week. You are responsible for your schedule and for being present and on time for all your scheduled shifts. If you are unable to work a scheduled shift, you must arrange for a qualified employee to cover for you, and you must obtain approval of the arrangement from the General Manager or Supervisor of the restaurant facility where you work. All changes in the personnel schedule for a shift are to be recorded in the appropriate work transfer book and initialed by the employees effecting the change and the manager responsible for the shift.

**E. On-Call Shifts.**

An on-call shift may be scheduled for some staff positions. If you are scheduled for the on-call shift, you are required to call into the Company at 9:00 a.m. for the A.M. on-call shift, and at 2:00 p.m. for the P.M. on-call shift. When calling in for the on-call shift, you must speak only to the manager on duty. He or she is the only person authorized by the Company to release you from the on-call shift. On-call shifts should be treated by you as a regular scheduled shift, so that you cannot pick up a shift for another employee if you are already scheduled for the on-call shift. You may be subject to disciplinary action if you fail to call in or if you call in late when scheduled for the on-call shift.

**F. Calling in Sick.**

All restaurant staff, in the event of illness, must call in, if practicable, to notify the Company that they are sick at least four (4) hours prior to the start of their scheduled shift, or by 9:00 p.m. on the day of their next scheduled shift, if such shift is an A.M. shift. Employees calling in sick shall report

their illness only to a Company manager. In the event an employee calls in after 9:00 p.m. for an A.M. shift or, for all other shifts, less than four (4) hours prior to the start of the shift, a doctor's excuse must be presented to the Company before the employee may return to work. A Doctor's excuse will also be required by the Company after an employee misses a total of two (2) shifts in a calendar year because of illness.

#### **G. Break Periods.**

All breaks are to be coordinated and scheduled with the manager on duty.

#### **H. Recording of Work Hours.**

##### General Policy

It is the policy of the Company to comply with all applicable laws that require records to be maintained of the hours worked by employees. To ensure that accurate records are kept of the actual hours an employee work and to ensure that the employee is paid in a timely manner, each non-exempt employee of the Company will be required to key or punch in and out on the Company's computerized time system at such employee's work facility at the start and end of each shift. Any handwritten notations will not be valid without written verification by the immediate supervisor.

All employees that key in and out on the time system are required by the Company to be in uniform and ready for work before keying in for their shift and may not change out of uniform at the end of their shift until after they have clocked out.

Employees should clock out immediately after their shift, but not before they have completed all their closing duties and are checked out by a supervisor.

No employee may key or punch in or out on the time system for any other employee.

##### 2. Falsification of Time Records Prohibited

Please ensure that actual hours worked and leave time taken are recorded accurately. Falsification of a time record is a breach of Company policy and is grounds for disciplinary action, including the possibility of immediate dismissal.

#### **I. Regular Pay Procedures.**

##### 1. Two-Week Pay Period

The Company's pay period is two weeks, beginning on Monday and ending on Sunday of the following week. Employees are paid every two weeks and may pick up their paychecks for each pay period beginning on the second Monday (i.e. 5 days) following the close of the pay period.

Employees must pick up their paychecks after 5:00 p.m. and sign the Company's paycheck sheet for that pay period. Employees are not permitted to sign for or pick up a check other than their own.

Each employee should carefully examine his or her paycheck upon receipt and immediately notify his or her manager of any discrepancies.

## 2. Payroll Deductions

As required by law, the Company must make certain deductions from employee paychecks, including those for federal, state and city taxes as well as Social Security. Other deductions can only be made at the employee's specific request and with his or her authorized signature. In certain instances, payroll deductions also may be made from an employee's paycheck for the replacement cost of lost, destroyed, or unreturned Company or Airport property.

### a) Pay for Exempt Employees.

Exempt employees must be paid on a salary basis. This means exempt employees will regularly receive a predetermined amount of compensation each pay period on a weekly basis. The Company is committed to complying with salary basis requirements which allows properly authorized deductions.

If you believe an improper deduction has been made to your salary, you should immediately report this information to Human Resources. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will promptly be reimbursed.

## 3. Wage Attachments.

In the event the Company is served a notice of garnishment or a wage assignment of an employee's earnings, the employee will be informed by copy of the notice. The Company is required by law to comply with wage garnishments and wage assignments until an official notification of release is received.

## 4. Tip Reporting and Tip Share.

All employees receiving tips must report one hundred percent (100%) of those tips for federal and state tax purposes. This includes all wait, bar and bus staff of the Company. Falsification of tip records is grounds for immediate dismissal.

## 5. Training Wages.

All restaurant employees of the company will be required to participate in training time when they are hired so that they will feel comfortable in their jobs. During such training, all wait staff will receive minimum wage. Kitchen staff will receive the wage rate agreed on at the time they were hired.

## **J. Overtime Pay Procedures.**

### 1. General Overtime Policies

There are occasions when an employee will be required to work overtime. Subject to the requirements of applicable laws, the Company reserves the right to require its employees (except minor employees) to work overtime if necessary, at the Company's sole discretion. If possible, advance notice will be given.

### 2. Overtime Pay for Non-Exempt Employees

If an employee is classified as a non-exempt employee, he or she will receive compensation for approved overtime work as indicated below.

#### **a) Employees 18 or older.**

Employees will be paid one and one-half (1½) times his or her regular hourly rate of pay for all hours worked beyond the 12<sup>th</sup> hour in any given work day in the same store and/or the 40<sup>th</sup> hour in any given work week in the same store.

#### **b. Employees under age 18.**

In most cases, employees under 18 years of age are not allowed to work more than 8 hours in a workday or 40 hours in a workweek, except in the case of an emergency. In those emergency situations where these hours are exceeded, overtime shall be paid at the rate of one and one-half (1½) times regular pay for work in the same store. However, if you are under 18 and are asked to perform overtime work, notify your manager immediately.

### 3. Time for Payment of Overtime Pay

An employee entitled to overtime pay will normally receive payment for such overtime in the paycheck available for pick up beginning on the second Monday following the close of the pay period in which the overtime was worked.

## **K. Payroll Advance Policy.**

### 1. Purpose

The company does not encourage payroll advances to its team members and is not obligated to provide payroll advances. However, in certain exceptional circumstances, Management may decide to provide a payroll advance to team members to help them manage their financial needs for medical or personal emergencies. "Payroll Advance" refers to team members receiving a portion of their pay before their next normal payday.

### 2. Scope

The policy is applicable to all permanent full time or part time team members of Mission Yogurt, Smokin' Bear, and Que Bueno Mexican Grille across all locations and regardless of position.

### 3. Eligibility

1. Team members must have been employed with the Company a minimum of 6 consecutive months prior to requesting a payroll advance.
2. Have not taken any other company sponsored loan
3. Have not asked for a payroll advance in the past 6 months
4. The team member cannot be on an active Performance Improvement Plan or disciplinary warning at the time of request

These eligibility requirements apply to all eligible team members without discrimination against protected characteristics, rank, or position.

### 4. Advance Amount

Depending on the financial need the salary advance may vary but will not exceed more than 80% of the earnings the team member has already earned at the time of request.

### 5. Repayment

The advance shall be paid back by an automatic payroll deduction from the team member's future paycheck. The repayment terms must be in writing and signed by the team member. Repayment terms will comply with the law if it places restrictions on the deductible amount or if it prohibits paycheck deductions altogether.

1. The Company may deduct the full amount from the team member's next paycheck or
2. The advance can be repaid in installments out of several future paychecks
  - For loans up to \$250, 2 installment payments will be provided
  - For loans \$251 to \$500 3 installment payments will be provided
  - For loans \$501 to \$750 4 installment payments will be provided
3. The first deduction shall start from the next payroll cycle following the advance
4. No interest shall be charged on the Advance Amount.

If a team member resigns or is terminated before they repay their payroll advance the company will deduct the entire remaining amount from the team member's final paycheck. Under no circumstance will the deduction result in pay at less than minimum wage. If entire final balance is not repaid by the final check the team members is responsible for reaching a new agreement with the company. The team member is responsible for any legal fees incurred by the company when attempting to collect the balance owed for the payroll advance.

### 6. Application Process

A written email request should be sent by the team member to the operations manager. The operations manager will verify need, eligibility, and give approval. The operations manager will forward their approval to payroll/HR to confirm eligibility and get final approval from the Executive team. All payroll advances must be approved by the Executive team. All decisions will be made within 3 business days of receiving the request. If the request is approved, HR/payroll will create an agreement form on the payroll advance and the repayment terms. This agreement must be signed by the team member before receiving the payroll advance. The company reserves the right to amend the policy.

#### **L. Bonus Pay Procedures.**

At times, the Company may elect to offer bonus programs to select employees to achieve certain Company objectives. These programs will be offered at the sole discretion of the Company and in no way constitute an employment contract. Bonus payouts may be subject to tax withholdings and pay out dates will be determined by the specific program details. At any time and without notice, the Company can choose to modify, or revise bonus programs as determined by the Company's priorities. To be eligible for any bonus payout, an employee must be currently employed with the Company on the date the bonus is to be paid out.

#### **M. Performance Evaluations.**

To ensure that you perform your job to the best of your abilities, it is important that you be recognized for good performance and that you receive appropriate suggestions for improvement when necessary. Consistent with this goal, your performance will be evaluated by your supervisor on an on-going basis and you will receive written performance evaluations on a periodic basis. All written performance reviews will be based on your overall performance in relation to your job responsibilities and will also consider your conduct, demeanor, record of attendance and tardiness and adherence to all company policies. Merit raises, if warranted based on your performance review, will be given at the time of the review. Employees may be eligible for their first review after three (3) months of continuous service.

#### **N. Company Meetings.**

Meetings are held periodically for the benefit of the Company and its employees. When a meeting is scheduled, attendance is mandatory, and all employees will be paid at least minimum wage for the time spent in attendance at the meeting. Company meetings will start on time. Therefore, please arrive early. Company uniforms are not mandatory, however professional business appearance and attire are required.

## TIME OFF BENEFITS

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### A. Family and Medical Leave (FMLA Leave).

The Company provides up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- \* Incapacity due to pregnancy, prenatal medical care, or childbirth.
- \* To care for the employee's child after birth, or placement for adoption or foster care.
- \* To care for the employee's spouse, son or daughter, or parent, who has a serious health condition.
- \* Serious health condition that makes the employee unable to perform the employee's job.

#### 1. Military Family Leave Entitlements

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

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, 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\*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.\*

\*The FMLA definitions of "serious injury or illness" for current service members and veterans are distinct from the FMLA definition of "serious health condition."

#### 2. Benefits and Protections

During FMLA leave, the Company maintains the employee's health coverage under any group health plan on the same terms as if the employee had continued to work. Employees must continue to pay their portion of any insurance premium while on leave. If the employee is able but does not return to work after the expiration of the leave, the employee will be required to reimburse the Company for payment of insurance premiums during leave.

Upon return from FMLA leave, most employees are restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. Certain highly compensated employees (key employees) may have limited reinstatement rights.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave. As with other types of unpaid leaves, paid leave will not accrue during the unpaid leave. Holidays, funeral leave, or employer's jury duty pay are not granted on unpaid leave.

### 3. Eligibility Requirements

Employees are eligible if they have worked for this Company for at least 12 months, for 1,250 hours over the previous 12 months, and if they work at a work site with at least 50 employees within 75 miles.

### 4. Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents a qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive full calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

### 5. Use of Leave

The maximum time allowed for FMLA leave is either 12 weeks in the 12-month period as defined by the Company, or 26 weeks as explained above.

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Employees taking intermittent or reduced schedule leave based on planned medical treatment and those taking intermittent or reduced schedule family leave with the Company's agreement may be

required to temporarily transfer to another job with equivalent pay and benefits that better accommodates that type of leave.

#### 6. Substitution of Paid Leave for Unpaid Leave

The Company requires employees to use accrued paid leave while taking FMLA leave. Paid leave used at the same time as FMLA leave must be taken in compliance with the Company's normal paid leave policies. If an employee's leave of absence does not constitute paid leave as defined in the Company's paid leave policies, the employee cannot use accrued paid leave, but can take unpaid leave. FMLA leave is without pay when paid leave benefits are exhausted.

#### 7. Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with the Company's normal call-in procedures.

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

Employees also may be required to provide a certification and periodic recertification supporting the need for leave. The Company may require second and third medical opinions at the Company's expense. Documentation confirming family relationship, adoption, or foster care may be required. If notification and appropriate certification are not provided in a timely manner, approval for leave may be denied. Continued absence after denial of leave may result in disciplinary action in accordance with the Company's attendance guideline. Employees on leave must contact the Human Resources Manager at least two days before their first day of return.

#### 8. The Company's Responsibilities

The Company will inform employees requesting leave whether they are eligible under FMLA. If they are, the notice will specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the Company will provide a reason for the ineligibility.

The Company will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the Company determines that the leave is not FMLA-protected, the Company will notify the employee.

#### 9. Unlawful Acts

FMLA makes it unlawful for the Company to:

Interfere with, restrain, or deny the exercise of any right provided under FMLA.

Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

The Company will grant a leave of absence to all employees (who meet the requirements described below) for the care of a child after birth or adoption or placement with the employee for foster care, the care of a covered family member (spouse, child, or parent) with a serious health condition, or in the event of an employee's own serious health condition.

Leaves will be granted for a period of up to twelve (12) weeks in any twelve-month period.

To be eligible for such leave, an employee must have completed at least one full year of service with the Company and must have worked a minimum of one thousand two hundred fifty (1,250) hours in the twelve month period preceding the leave.

#### 10. Child/Family Care Leave

If you request a leave of absence to care for a child after birth, adoption, or placement in your home for foster care, or to care for a covered family member with a serious health condition, you will be granted leave under the following conditions:

- (a) If the leave is planned, you must provide the Company with at least thirty (30) days' notice prior to the anticipated leave date.
- (b) If the leave is unexpected, you should notify your supervisor as far in advance of the anticipated leave date as is practicable. Normally, this should be within two business days of when you become aware of your need for the leave.
- (c) All Company benefits that operate on an accrual basis (such as vacation benefits) will cease to accrue during the unpaid leave period.
- (d) You will be required to use all accrued, unused vacation days during the leave period. Once such benefits are exhausted, the balance of the leave will be without pay.

The Company will maintain group health plan coverage in effect for employees on leave at the level and under the conditions that coverage would have been provided if the employee had continued in employment continuously during the leave. However, dependent health care will be continued only so long as the employee continues to pay the contributions required to continue such coverage.

If the employee fails to return to work upon the expiration of the leave for reasons other than a prolonged serious health condition of either the employee or his or her family member, the Company will seek to recover from the employee the premiums that it paid for maintaining group health coverage for the period of the leave.

Benefits such as life insurance and disability will be governed in accordance with the terms and conditions of each benefit plan.

Employees requesting leave to care for a covered family member with a serious health condition may be required to provide medical certification from the family member's physician attesting to the nature of the serious health condition, probable length of time treatment will be required, and the reasons that the employee is required to care for this family member. Employees may also be required to provide additional physician's statements at the Company's request.

## 2. Leave for Employee's Serious Health Condition

If you request a leave of absence for your own serious health condition, you will be granted leave under the following conditions:

- (a) If the leave is planned, you must provide the Company with at least 30 days' notice prior to the anticipated leave date.
- (b) If the leave is unexpected, you should notify your supervisor as far in advance of the anticipated leave date as possible.
- (c) Any time that you expect to be or are absent because of your own health condition (including pregnancy), you may be required to submit appropriate medical certification from your physician. Such certification must include, at a minimum, a diagnosis, the date your disability began, if applicable, and a probable date of your return to work, if applicable.

Again, all Company benefits that operate on an accrual basis (such as vacation benefits) will cease to accrue during your unpaid leave period.

You will be required to use all accrued vacation benefits during your leave. Once such accrued benefits are exhausted, the balance of your leave will be without pay, unless you are eligible for short-term disability benefits in accordance with applicable state law or salary continuation in accordance with the Company's short-term disability plan.

The Company will maintain group health plan coverage in effect for employees on leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously during the leave. However, dependent health care will be continued by the Company only so long as the employee continues to pay the contributions required to continue such coverage.

Again, if an employee fails to return to work upon the expiration of the leave for reasons other than a prolonged serious health condition of either the employee or his or her family member, the Company will seek to recover from the employee the premiums that it paid for maintaining group health coverage for the period of the leave.

Benefits such as life insurance will be governed in accordance with the terms of each benefit plan.

During your leave, you also may be required to provide the Company with additional physician's statements on request from the Company or the Company's insurance carriers, attesting to your continued disability and inability to work. You also may be required to submit to medical examinations by physicians designated by the Company at its discretion and at the Company's expense, at the beginning of, during, or at the end of your leave period, and to provide the Company with access to your medical records as required by the Company in its sole discretion.

Before you will be permitted to return from medical leave, you will be required to present the Company with a statement from your physician certifying that you are capable of returning to work and performing the essential functions of your position, with or without reasonable accommodation. Where required, the Company will make reasonable accommodation for any disability that you may have, in accordance with applicable laws.

### **Enforcement:**

FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

### 3. Leave Entitlement

Eligible employees are entitled to leave for up to twelve weeks in any twelve-month period (or longer, in the case of leave for an employee's serious health condition, where a leave extension is requested and approved).

Leave taken to care a child after birth, adoption, or placement in your home for foster care must be taken in consecutive work weeks. Leave taken for the employee's or a covered family member's serious health condition may be taken consecutively, intermittently, or on a reduced work-leave schedule based on certified medical necessity and the ability of the Company to accommodate the employee's scheduling needs. In such instances, the Company will follow applicable federal and state laws in reviewing and approving such leave requests.

### 4. Reinstatement Rights Following Leave of Absence

Eligible employees who have taken an approved leave of absence are entitled, on return from leave, to be reinstated to their former position or to an equivalent position with equivalent employment benefits, pay and other terms and conditions of employment. Exceptions to this provision may apply if business circumstances have changed (for example, if the employee's position is no longer available due to a job elimination). Exceptions may also apply for certain highly-compensated employees under certain

conditions. In addition, employees on a leave extension are not guaranteed reinstatement.

**B. Employees Who do not Qualify under the Family and Medical Leave Act of 1993.**

Employees who have less than one year of service and/or have not worked a minimum of 1,250 hours during the preceding twelve-month period may request leaves of absence to care for a child after birth, adoption or placement in the employee's home for foster care, for the employee's own serious health condition, or for a spouse, child or parent's serious health condition subject to the following terms and conditions:

1. Leave requests must be made at least thirty (30) days in advance of the date the employee would like the leave to begin or, in emergency situations, with as much advance notice as is practicable.
2. The certification requirements and the conditions for the required use of accrued time off, benefits accrual, and continuation of group health insurance during leave set forth above with regard to employees who qualify for leave under the Family and Medical Leave Act of 1993 apply to all leave requests.
3. Unless applicable state or local law requires otherwise, leaves will be limited to a 30-day maximum duration except leaves for the employee's own serious health condition, which may be granted for up to a twelve-week period and which may be taken intermittently.
4. Unless applicable state or local law requires otherwise, reinstatement will not be guaranteed to any employee requesting leave hereunder; however, the Company will endeavor to place employees returning from leave in their former position or in a position comparable in status and pay subject to budgetary restrictions, the Company's need to fill vacancies, and its ability to find qualified temporary replacements.

All questions regarding family and medical leaves of absence should be directed to the Company's President.

**C. Military Leaves of Absence.**

Leaves of absence for military or Reserve duty are granted to all employees of the Company. If you are called to active military duty or to Reserve or National Guard training, or if you volunteer for military service, you should submit copies of your military orders to your supervisor as soon as is practicable. Non-exempt employees will be granted a military leave of absence without pay for the period of military service or training, in accordance with applicable federal and state laws. Exempt employees will be granted unpaid military leave for the period of their military service, except where such leave begins or ends during any work week where the employee has performed services for the Company. In that case, the employee shall be compensated for the entire interrupted work week. Your eligibility for reinstatement after your military duty or training is completed will be determined in accordance with applicable federal and state laws.

**D. Bereavement Leave.**

All employees will be granted leave if a death occurs in their family, as follows:

1. All non-exempt employees will be granted up to two days off from work without pay in the event of the death of a family member.
2. Exempt employees will be granted similar leave with pay.

The Company, in its sole discretion, may allow additional bereavement leave. Requests for bereavement leave should be made to your immediate supervisor as soon as the need becomes apparent.

**E. Leave for Jury and Witness Duty.**

Any employee called for jury duty will be granted paid leave, less the amount of jury fees received by the employee for such service, for a period of up to 3 days. Additional leave for jury duty will be granted without pay, except in the case of exempt employees who shall receive their full salary for any work week in which they perform services for the Company. Non-exempt and exempt employees who are required to appear in court as a witness may take unpaid time off for such purpose. No deduction, however, will be made from the salary of exempt employees for such purpose during any work week in which the employee performs services for the Company.

To qualify for jury or witness duty leave, you must submit to your supervisor a copy of the summons to serve as soon as it is received. In addition, proof of jury service must be submitted to your supervisor after your jury or witness duty is completed.

**F. Paid Time Off (PTO) Policy- Managers and Senior Hourly Team Members.**

**Purpose:**

Mission Yogurt strongly promotes work life balance. The purpose of this PTO policy to provide managers and senior hourly team members with flexible paid time off from work that can be used for such needs as vacation, personal or family illness, doctor's appointments, school, volunteerism, and other activities. PTO accrue rates are based on seniority and position with the Company, please see specific sections below for eligibility.

1. Eligibility for Managers

Full time Managers are eligible for 10 days of paid PTO per year (80 hours). Which starts accruing from the start of employment with the Company. PTO time accrues at a rate of 3.07 hours per pay period of continuous employment. PTO time will increase based on the length of continuous service to the Company. Managers will have an additional day (8 hours) added to their PTO time for every year with the Company based on their anniversary date. This accrual will be capped at 20 days (160 hours). You are eligible for PTO leave with the Company as it accrues, you may use your accrued PTO time at any point during the year. However, PTO time must be submitted in advance, no later than 30 days prior

to the requested dates. PTO time is subject to approval from executive management and is determined by operational needs. You are eligible for PTO leave with the Company as it accrues, you may use your accrued PTO time at any point during the year. Unused PTO time may be carried over beyond your next anniversary and will continue to accrue until you hit the cap of 20 PTO days (160 hours). Managers are responsible for monitoring and taking their PTO time over the course of the year.

2. Eligibility for Senior Hourly Team Members

Senior Hourly Team Members qualify for PTO by working for Mission Yogurt / Smokin' Bear/ Que Bueno Mexican Grille after 5 full calendar years of continuous of service. Qualifying Senior Hourly Team Members shall have available:

| <b>Length of Continuous Service</b> | <b>PTO Benefit/Maximum Cap</b> |
|-------------------------------------|--------------------------------|
| <b>1-5 years of service</b>         | 0 days PTO                     |
| <b>6 years of service</b>           | 1 day of PTO                   |
| <b>7 years of service</b>           | 2 days of PTO                  |
| <b>8 years of service</b>           | 3 days of PTO                  |
| <b>9 years of service</b>           | 4 days of PTO                  |
| <b>10 years of service</b>          | 5 days of PTO                  |

Unused PTO from the previous year of employment carries-forward but is capped at 5 days (40 hours) and does not get paid out unless you have terminated employment with Mission Yogurt / Smokin Bear/Que Bueno Mexican Grille.

3. PTO Usage

Managers and Senior Hourly Team Members may use time from their PTO bank in hourly increments. The time that is not covered by the PTO policy, and for which separate guidelines and policies exist, include company paid holidays, bereavement time off, required jury duty, and military service leave. To take PTO requires 30 days of notice to the supervisor and Human Resources unless the PTO is used for legitimate, unexpected illness or emergencies. (Use the Paid Time Off form to request PTO.) In all instances, PTO must be approved by the employee's supervisor in advance.

4. Pay in Lieu of PTO

Managers and Senior Hourly Team Members are required to take their earned PTO. Payments can be made in lieu of taking PTO, only with prior arrangements and written agreement with employee

and management.

#### 5. PTO Scheduling

PTO leave may be taken in consecutive days and must be approved in advance. All requests for PTO leave must be made in writing to your immediate supervisor at least 30 days in advance of the day for which leave is requested. Requests for PTO leave are subject to the operational needs of the Company and the approval of the General Manager of the Company. **PTO leave cannot and will not be granted during peak operational periods.**

#### 6. PTO for Terminating Managers and Team Members

Managers and Senior Hourly Team Members are paid for the PTO time they have accrued and have not used at employment end. If a Manager or Senior Hourly Team Member has taken PTO time that has not been accrued and employment terminates that time will be deducted from the final check. Managers and Senior Hourly Team Members who give two weeks' notice of employment termination must work two weeks without utilizing PTO time.

#### 7. Paid Time Off (PTO) Exceptions

Managers and Senior Hourly Team Members who miss more than two consecutive unscheduled days may be required to present a doctor's release to the Human Resources department that permits them to return to work. PTO taken more than the PTO accrued can result in disciplinary action up to and including employment termination. This time off will be unpaid. The only possible exception to this policy must be granted by the Executive Team and HR. PTO accrued prior to the start of a requested and approved unpaid leave of absence must be used to cover hours missed before the start of the unpaid leave.

Under the company's [Family and Medical Leave Act \(FMLA\)](#) policy, all accrued PTO time is taken before the start of the unpaid FMLA time.

Unscheduled absences, due to illnesses of four hours or more, that result in consecutive days absent from work, are considered one absence incident in relation to potential disciplinary action.

PTO is paid at the same wage Managers and Senior Hourly Team Members normally earn during regular work hours. PTO does not count as hours work for purposes of calculating overtime. At no point in time shall a Manager's and Senior Hourly Teams Member's PTO accrual exceed their yearly allotment.

Mission Yogurt / Timberline/Que Bueno Mexican Grille reserves the right to modify, amend, withdraw or otherwise change its PTO policy, but intends at all times to maintain practices which fully comply with applicable law with respect to the provision and use of PTO. Mission Yogurt / Timberline/ Que Bueno Mexican Grille will not tolerate retaliation or discrimination against Managers or Senior Hourly Team Members for requesting, using, or attempting to use PTO in accordance with applicable statutory rights. Managers and Senior Hourly Team Members who

have concerns regarding retaliation or discrimination should immediately report such concerns to Human Resources.

**Any team member who misses two consecutive days of work without notice to their supervisor may be considered to have voluntarily quit their job.**

**Your PSL and/or PTO balance will be on your check stub  
To check your balance login to ADP**

**G. Paid Sick Leave Policy- Hourly Team Members.**

1. Eligibility and Benefits

Hourly Team Members qualify for Paid Sick Leave (“PSL”) by working for Mission Yogurt / Smokin’ Bear/ Que Bueno Mexican Grille beginning the first January after one continuous year of service. Qualifying Team Members shall have available PSL as follows:

| <b>Length of Continuous Service</b> | <b>PSL Benefit</b> |
|-------------------------------------|--------------------|
| <b>1-3 years of service</b>         | 3 days PSL         |
| <b>4 years of service</b>           | 4 days of PSL      |
| <b>5 years of service</b>           | 5 days of PSL      |
| <b>6- 10 years of service</b>       | 5 days of PSL      |

Annually on January 1<sup>st</sup> a Hourly Team Member’s annual allotment of PSL will renew. PSL renewed will depend on years of service (see below). Unused PSL does not carry-forward and does not get paid out.

2. PSL Usage and Responsibility

Hourly Team Members may use PSL as needed for a PSL qualified purposes. If a Hourly Team Member knows he or she will need to take PSL (for example for a pre-scheduled doctor’s appointment), the Hourly Team Member must provide reasonable advance notice to his or her supervisor. Otherwise, the Hourly Team Member must notify his or her supervisor as soon as practical. Whenever possible, Mission Yogurt / Smokin’ Bear/ Que Bueno Mexican Grille requests that the Hourly Team Member provide written notice (at least seven days) to his or her supervisor using the Hourly Team Member Time off Request Form, available on Mission Yogurt website.

Hourly Team Members may use PSL to obtain medical care for themselves or their child, parent, spouse/registered domestic partner, grandparent, grandchild, sibling, or spouse/domestic

partner's parent. This includes obtaining diagnosis, care, or treatment for an existing health condition, or obtaining preventive care. Team Members who are victims of domestic violence, sexual assault, or stalking may also use paid sick leave to:

Obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the Hourly Team Member or the Hourly Team Member's child;

Seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;

Obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking;

Obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; and participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

PSL is paid at the same wage the Team Member normally earns during regular work hours. PSL does not count as hours worked for purposes of calculating overtime. PSL that remains unused at the end of one year of employment does not carry over to the next year, but on the 1<sup>st</sup> day of January the yearly allotment hours due according to the years of service will be available. Team Members will not receive pay for unused PSL upon separation from employment or at the end of a year of employment.

When utilizing available PSL for a PSL qualified purpose, Hourly Team Members do not need to disclose the basis for the absence, but it is expected that Hourly Team Member seeking to use PSL will advise the Mission Yogurt / Smokin' Bear/ Que Bueno Mexican Grille that the time is taken as paid sick leave. This is important because other absences by Hourly Team Members are generally unpaid and subject to attendance requirements. Please see attendance policy.

Mission Yogurt / Smokin' Bear/ Que Bueno Mexican Grille reserves the right to modify, amend, withdraw or otherwise change its PSL policy, but intends at all times to maintain practices which fully comply with applicable law with respect to the provision and use of PSL. Mission Yogurt / Smokin' Bear/ Que Bueno Mexican Grille will not tolerate retaliation or discrimination against Team Members for requesting, using, or attempting to use PSL in accordance with applicable statutory rights. Team Members who have concerns regarding retaliation or discrimination should immediately report such concerns to Human Resources.

Team members may use time from their PSL bank in hourly increments. The time that is not covered by the PSL policy, and for which separate guidelines and policies exist, include company paid holidays, bereavement time off, required jury duty, and military service leave.

**To take PSL it requires four hours of notice to the supervisor as stated in the Code of Conduct.**

**Any team member who misses two consecutive days of work without notice to their supervisor may be considered to have voluntarily quit their job.**

**Your PSL and/or PTO balance will be on your check stub**

**To check your balance login to ADP**

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## HEALTH AND OTHER BENEFITS

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### **A. Worker's Compensation Insurance.**

To provide for payment of your medical expenses and partial salary payments in the event of a work-related accident or illness, you are covered by Worker's Compensation Insurance. The amount of the benefits payable, and the duration of the payments, depend upon the nature of your injury or illness. In general, all reasonable medical expenses incurred in connection with an injury or illness are paid in full, and partial salary payments are provided if you are absent from work.

If you are injured or become ill on the job, you must immediately (within 24 hours) report such injury or illness to your supervisor. This ensures that the Company can assist you in obtaining appropriate medical treatment. Your failure to follow this procedure may result in the appropriate Worker's Compensation report not being filed in accordance with the law, which may consequently jeopardize your right to benefits in connection with the injury or illness.

Questions regarding Worker's Compensation Insurance should be directed to the Company's President.

### **B. Health Insurance and other Company Benefits.**

All health benefits and any other benefits available to employees of the Company are offered at the sole discretion of the Company. Details concerning such benefits are set forth in the literature available through the Company's plan providers or administrators.

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## DISCIPLINARY ACTION

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### A. Guidelines for Appropriate Conduct.

As one of the Company's employees, you are expected to accept certain responsibilities, adhere to acceptable business principles, and refrain from any behavior that might be harmful to, or reflect unfavorably on you, your co-workers, the Company or customers of the Company. Types of behavior and conduct that the Company considers inappropriate include, but are not limited to, the following:

- **Theft of any kind;**
- Fighting with other employees, customers, vendors or others.
- Malicious or wanton destruction of Company or Airport property.
- Use of illegal drugs and alcohol before or during scheduled work hours.
- Deliberate insubordination.
- Misleading information on employment application.
- Tampering with the Company's data processing units or time clocks.
- Any unauthorized alterations on guest checks, on any forms of payment presented by a customer (e.g. credit card forms, etc.) or on anyone's time records;
- Disregarding safety rules and regulations.
- Disregard of Airport Security regulations which may or may not result in written security violations.
- Violating the Company nondiscrimination and/or sexual harassment policies

If your conduct becomes unacceptable in the judgement of the Company, either as a result of inappropriate behavior, including the commission of any of the acts outlined above, or as a result of a violation of any other Company policy or rule, you will be subject to disciplinary action, up to and including immediate dismissal.

## **B. Guidelines Regarding Performance Deficiencies.**

You may also be subject to disciplinary action, up to and including dismissal, if your performance, work habits, overall attitude or demeanor becomes unsatisfactory in the judgement of the Company. Performance deficiencies that could result in dismissal include, but are not limited to, the following:

- one or more poor performance evaluations;
- after any scheduled evaluation, there is no improvement in areas rated unacceptable on the evaluation;
- after the conclusion of the probationary period, job performance is not adequate in the sole discretion of the Company;
- any accumulation of warning letters as a result of violations of the Company's policies regarding tardiness, tip reporting, personal appearance, calling in policies, sick policies, schedule policies, horse play, carelessness, ticket control (guest checks), leaving work/premises without permission, absenteeism, general/department meetings, meal policy, on-call policies, smoking/snacking policies, bar/drinking policies, loafing, abuse of equipment and any other act not stated specifically herein that would adversely affect the normal, efficient, and harmonious operation of the Company.

## **C. Issuance of Warning Slips.**

In an effort to enhance the overall performance of the employees of the Company and to allow every employee an opportunity to improve his or her performance, the Company may, as a disciplinary measure, issue a warning letter to an employee who has violated a Company policy or rule or who has otherwise engaged in conduct which is not acceptable to the Company. However, the issuance of warning letters in lieu of more severe discipline is in the sole discretion of the Company and there is no requirement that the Company issue such warning letters prior to imposing more severe discipline, including dismissal.

## **D. Social Media.**

The Company recognizes that many employees engage in social media activity. For purposes of this policy, social media activity includes all types of postings on the internet, including, but not limited to, postings on social networking sites, such as Facebook, LinkedIn, and Tumblr; blogs and other on-line journals and diaries; bulletin boards and chat rooms; microblogging, such as Twitter; and postings of video or audio on media-sharing sites, such as YouTube or Flickr. Social media activity also includes permitting, or failing to remove, posts by others whenever the employee can control the content of posts, such as on a personal page or blog.

### **1. Application**

This policy applies to all employees and applies to social media activity that relates in any way to the Company's business, employees, customers, vendors, or competitors or that identifies an employee's affiliation with the Company (other than as an incidental mention of place of employment in personal social media activity unrelated to the Company).

The Company's policies with respect to nondiscrimination, anti-harassment or retaliation and protection of confidential company information apply to social media usage.

## 2. Scope

This policy applies to social media activity when on or off duty, while using the Company's or personal electronic resources, and whether or not the employee posts anonymously or using a pseudonym.

### **E. No Alteration of At-Will Status.**

None of the disciplinary policies established by this Handbook alter the at-will status of any employee of the Company (i.e., any employee may be terminated without cause), nor do they create any obligation on the part of the Company to utilize any form of progressive discipline.

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## EMPLOYEE CONDUCT AND GENERAL OPERATING RULES

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### A. Employee Parking/RTD ECOPASS.

Due to limited parking spaces for the Company's guests, employees are asked to park in the outlying areas of the parking lot at their work location. Ask your immediate supervisor if you are unsure where to park. After passing a probationary period, full-time airport employees are eligible to receive a parking pass. The Company will fully reimburse each employee, upon presentation of a valid receipt, for parking in the designated airport employee lot.

A Bus Pass may be issued to full-time airport employees upon completion of the probationary period. This pass is the property of Mission Yogurt, Inc. and must be returned to the Company when terminating employment. The company will seek reimbursement, through legal action, if the bus pass is not returned upon request. For specifics pertaining to the Company Bus Pass Program, please reach out to your immediate supervisor or Executive Management.

### B. Personal Telephone Calls.

Personal calls are not allowed while you are working. If you need to make a call, you may do so during your break, using the phone at your work location. No employee phone numbers will be given out over the phone by the Company at any time. Please complete your own list of home telephone numbers for co-employees if you desire one. **Use of personal cellular telephones is never permitted to be used while on duty.**

### C. Employee Meal Policy.

#### Meal and Rest Breaks

Non-exempt employees who work five or more consecutive hours will be provided at least one unpaid 30-minute meal break. During the break, employees will be relieved of all duties and permitted to pursue personal activities. If the nature of the business activity or other circumstances exist that makes an uninterrupted meal break impracticable, the employee will be allowed to consume an on-duty meal without any loss of time or compensation.

Non-exempt employees will also be permitted a 10-minute rest break for every four hours of work. Breaks should be scheduled in the middle of the work period insofar as practicable and must be paid.

Employees must comply with all applicable timekeeping requirements, including recording the beginning and end time of their meal breaks. Employees who are unable to take a meal or rest breaks to which they are entitled in accordance with this policy, or who have been prevented or discouraged from taking a break to which they are entitled under this policy, should immediately notify Human Resources department.

While on shift, all employees who have worked five consecutive hours, may be allowed to receive discounted menu items served by the Company. Juices and alcoholic beverages may be purchased at a discounted price, although employees may not purchase alcoholic beverages while on shift or immediately prior to the start of their shift. Eating is allowed only in areas designated by your immediate supervisor. **Eating is never allowed in any food preparation area or while on duty.**

Meal breaks may be taken as scheduled by your immediate supervisor. No breaks will be scheduled between 11:00 a.m. and 1:30 p.m. or between 6:00 p.m. and 7:30 p.m. **Employees must clock in and out for all meals.**

Snacking is not allowed during your shift, unless you are required to taste test a special new product.

Employee meals may not be taken out of the restaurant.

“Trading” with other airport employees is never permitted. This activity is grounds for immediate dismissal.

#### **C. Bar Policy.**

Employees are not allowed to sit in uniform at the bar in any of the Company’s restaurant facilities. Drinking on shift, immediately prior to your shift or between shifts, is not allowed. Employees under 21 years of age may not sit in the lounge of any Company restaurant facility. If you remain at the location where you work after you have finished your shift, ask your supervisor to advise you of an area where you may sit.

#### **D. Smoking.**

Smoking, as well as any other use of tobacco, is allowed only during proper breaks and only in designated areas. Smoking and the use of any form of tobacco, **including chewing tobacco**, are never allowed in food preparation areas. Such behavior shall be grounds for immediate termination.

#### **E. Personal Appearance and Grooming.**

The Company is in the business of serving the public and takes pride in its employees. We want all Company employees to take pride in themselves. Personal hygiene is extremely important for all employees if the Company is to properly serve its guests. All employees are expected to report for work in a clean uniform with clean hair, properly manicured fingernails, and if appropriate, clean shaven. Jewelry is allowed if it is conservative and does not interfere with the performance of duties. Good

overall hygiene is a must and will be considered in performance evaluations.

**F. Employee Cash Errors.**

Cashiers and Supervisors are responsible to properly maintain the cash drawer. Any single drawer discrepancy in excess of \$3.00, either over or short, or a thirty day cash discrepancy in your drawer in excess of \$25.00, either over or short, will result in disciplinary action or termination.

Cashiers and Supervisors are responsible for the accuracy of the guest receipts or tickets. Therefore, all cashiers should make sure that everything a guest has ordered is properly charged on the guest receipt or check. Any errors in guest charges may result in disciplinary action. All guests must receive their receipt. If customers do not receive their receipt, the manager is to be notified immediately. The employee assisting the customer could be held liable for the charges by the customer.

**G. Confidentiality.**

During employment with The Company, employees will learn, work with, and be entrusted with information and trade secrets that are confidential relating to the company's operations, proposed new businesses, records, schedules, recipes, marketing materials, financial condition, sales, products and designs that are the sole property of Mission Yogurt, Inc. As such, distribution, discussion, removal of or sale of any such information is strictly prohibited. This information is not known outside of the company or even known to all of the company's employees. Examples include financial information, costs, business projections, records, schedules, recipes, marketing materials, marketing plans, customers, suppliers, designs, composites, sketches and any information that is marked confidential. Keeping this information confidential is necessary to ensure our success. Because this information has substantial value to the company, all employees must exercise the highest degree of care not to disclose any confidential information, even inadvertently (through conversations in elevators or restaurants), to any unauthorized persons in or outside the Company.

Employees, except within the scope of employment, cannot remove, make or cause to be made any copies of drawings, reports, correspondences or other writings or samples relating to the Company. Employees cannot use for their own gain or disclosure, except within the scope of employment, any trade secrets, other confidential information, data or knowledge relating to the Company.

Employees must surrender all documents, drawings and information to the Company upon termination or employment or at any time upon the request of their Supervisor.

Sometimes even the most innocent acts or requests can result in disclosure of confidential information. Employees should always think before discussing information with a third party. If an employee believes confidential information must be disclosed to a third party, they should consult with their Department Head. There is no excuse for disclosure of our confidential information. Violations of these regulations is subject to immediate termination and possible legal actions.

The employee's obligations under this policy shall continue after termination of employment.

**H. Drug Policy.**

The Company intends to ensure a safe and productive work environment, free of illicit drug use

and alcohol abuse. The goals of the Company's policy and the testing of employees are to insure a drug and alcohol free work environment, and to reduce and help eliminate drug and alcohol related accidents, injuries, fatalities and property damage. In the interest of ensuring that the Company is and will continue to be drug-free, the following policies and procedures will apply to all employees:

1. Prohibited Drug and Alcohol Use

Employees are prohibited from buying, selling, soliciting to buy or sell, transporting, promoting or possessing illegal drugs or drug paraphernalia or legal but illegally used substances while on Company premises or while engaged in the Company's business off the Company's premises. Such conduct is also prohibited during non-working hours to the extent that, in the opinion of the Company, it impairs the employee's ability to perform his or her job or threatens the reputation or integrity of the Company.

No prescription drug will be brought on Company premises by any person other than the person for whom it is prescribed. Prescription drugs will be used only in the manner, combination and quantity prescribed. Employees are prohibited from using or being under the influence of any legal drug whose use can adversely affect the ability to work safely. If for medical reasons, you are required to take prescription or over-the-counter drugs which may affect your ability to function normally, you must notify your supervisor immediately.

No alcoholic beverage shall be brought or consumed on Company premises except in connection with a Company authorized event. Employees are prohibited from possessing any amount or type of alcohol (including medications, or over-the-counter remedies containing alcohol) while on duty.

2. Company's Right to Conduct Reasonable Searches

The Company, in order to establish and maintain a safe, healthy working environment and to protect the image and reputation of the Company, reserves the right to conduct reasonable searches. This information book shall serve as notice that every employee is required, without further notice and upon the Company's request, to submit to a search of any vehicle brought to the airport, to submit to a search of any pocket, package, purse, briefcase, tool box, lunch box, back pack, sack or container of any kind brought or kept by the employee on the Company's premises, and to submit to a search of a desk, file locker or other stationary container provided by the Company. All spaces under the control of the Company remain subject to search even though an employee uses such spaces or considers the space to be private.

3. Company's Right to Test Upon Suspicion of Drug or Alcohol Abuse

The Company also reserves the right to require, without further notice and at its discretion, when it suspects alcohol or drug abuse by an employee, that the employee, as a condition of continued employment, be physically examined and/or clinically tested for the presence of alcohol or drugs by qualified medical personnel as a result of the following:

- a) Being identified by a supervisor as appearing to be in an unfit condition for work, as determined by the Company;
- b) Involvement in a workplace accident or safety-related incident, as determined by the Company.

- c) Involvement in a motor vehicle accident while operating a Company-owned or leased vehicle or while operating a customer's vehicle; or
- d) Any other circumstance, incident, or occurrence that leads the Company to suspect alcohol or drug abuse.

Refusal on the part of the employee to submit to a search or test as described above may lead to immediate discharge or may be considered by the Company as a voluntary resignation. A positive, confirmed drug or alcohol test may result in immediate dismissal even for a first offense. In addition, any driver who is convicted by the judicial system for a DUI, a DWAI, or a felony for a drug or alcohol related matter may be terminated.

As a condition of employment by the Company, each employee will notify the Company if he or she is convicted or pleads guilty or no-contest to any criminal drug charge for any unlawful manufacture, distribution, dispensation, possession or use of any controlled substance in the workplace. Employees must notify the Company no later than five (5) days after conviction or entry of a guilty or no-contest plea. Any employee who fails to notify the Company within five (5) days after a conviction or plea of guilty or no-contest to such a criminal drug charge will be terminated.

### 3. Confidentiality

To the extent reasonably possible, and except as necessary in an emergency situation or for the conduct of the business of the Company, the Company will not release information with respect to an employee's drug or alcohol test results.

#### **I. Solicitation and Distribution of Literature.**

The distribution or posting of advertising materials, handbills, and other literature in working areas is prohibited at all times. Solicitation of third party products, including but not limited to Avon, Tupperware, Mary Kay, etc. is not permitted during work hours. Such activity is subject to disciplinary action.

#### **K. Gossip and Rumors Prohibited.**

Gossip and rumors are destructive to the teamwork concept of the Company and will only serve to reduce your credibility in the eyes of management and your fellow employees. Please, unless your comments are constructive, keep them to yourself.

#### **J. Work Restrictions on Minors.**

Pursuant to applicable labor laws, employees under 18 years of age are not allowed to operate the Hobart (mixer) or Globe Slicer.

It is against Mission Yogurt, Inc. employment policy and expressly forbidden to hire any person that is under the age of 17 due to the heightened security and safety requirements associated with operations at Denver International Airport.

If you are asked to violate any of these restrictions by a supervising employee, inform your manager immediately.

# ACKNOWLEDGMENT OF RECEIPT

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I HAVE RECEIVED A COPY OF THE EMPLOYEE HANDBOOK DATED \_\_\_\_\_. I UNDERSTAND THAT I AM TO BECOME FAMILIAR WITH ITS CONTENTS. FURTHER, I UNDERSTAND:

- EMPLOYMENT WITH MISSION YOGURT, INC. IS AT-WILL. I HAVE THE RIGHT TO END MY WORK RELATIONSHIP WITH THE COMPANY, WITH OR WITHOUT ADVANCE NOTICE FOR ANY REASON. THE COMPANY HAS THE SAME RIGHT.
- THE LANGUAGE USED IN THIS HANDBOOK AND ANY VERBAL STATEMENTS OF MANAGEMENT ARE NOT INTENDED TO CONSTITUTE A CONTRACT OF EMPLOYMENT, EITHER EXPRESS OR IMPLIED, NOR ARE THEY A GUARANTEE OF EMPLOYMENT FOR A SPECIFIC DURATION.
- THE HANDBOOK IS NOT ALL INCLUSIVE BUT IS INTENDED TO PROVIDE ME WITH A SUMMARY OF SOME OF THE COMPANY'S GUIDELINES.
- THIS EDITION REPLACES ALL PREVIOUSLY ISSUED HANDBOOKS. THE NEED MAY ARISE TO CHANGE THE GUIDELINES DESCRIBED IN THE HANDBOOK, EXCEPT FOR THE AT-WILL NATURE OF EMPLOYMENT. THE COMPANY THEREFORE RESERVES THE RIGHT TO INTERPRET THEM OR TO CHANGE THEM WITHOUT PRIOR NOTICE.
- NO REPRESENTATIVE OF MISSION YOGURT, INC., OTHER THAN THE PRESIDENT OF THE COMPANY, HAS THE AUTHORITY TO ENTER INTO AN AGREEMENT OF EMPLOYMENT FOR ANY SPECIFIED PERIOD AND SUCH AGREEMENT MUST BE IN WRITING, SIGNED BY THE PRESIDENT AND MYSELF. WE HAVE NOT ENTERED INTO SUCH AN AGREEMENT.

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Name

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Date