



Employee Handbook

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Section I

The Way We Work

Introduction

This Employee Handbook contains information about the employment policies and practices of Akron Auto Auction Inc. (“AAA” or “Company” which includes any and all of AAA’s affiliates and subsidiaries including Akron Auto Auction Inc. DBA Value Auto Auction). We expect each employee to read this Employee Handbook carefully, as it is a valuable reference for understanding your job and the company. The policies outlined in this Employee Handbook should be regarded as management guidelines only, which in a developing business will require changes from time to time. The company retains the right to make decisions involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and the company. This Employee Handbook supersedes and replaces any and all prior Employee Handbooks and any inconsistent verbal or written policy statements.

The company complies with federal and state law and this handbook generally reflects those laws. The company also complies with any applicable local laws, even though there may not be an express written policy contained in the handbook.

Except for the policy of at-will employment, the company reserves the right to revise, delete and add to the provisions of this Employee Handbook at any time without further notice. All such revisions, deletions or additions to the Employee Handbook must be in writing and must be signed by the President of the company. No oral statements or representations can change the provisions of this Employee Handbook.

The provisions of this Employee Handbook are not intended to create contractual obligations with respect to any matters it covers. Nor is this Employee Handbook intended to create a contract guaranteeing that you will be employed for any specific time period. Any agreement to employment for a specified period of time will be put into writing and signed by the President of the company.

Nothing in this Employee Handbook is intended to unlawfully restrict an employee's right to engage in any of the rights guaranteed them by Section 7 of the National Labor Relations Act, including but not limited to, the right to engage in concerted protected activity for the purposes of their mutual aid and/or protection. Nothing in this Employee Handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in the exercise of Section 7 rights.

OUR COMPANY IS AN AT-WILL EMPLOYER. THIS MEANS THAT REGARDLESS OF ANY PROVISION IN THIS EMPLOYEE HANDBOOK, EITHER YOU OR THE COMPANY MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. NOTHING IN THIS EMPLOYEE HANDBOOK OR IN ANY DOCUMENT OR STATEMENT, WRITTEN OR ORAL, SHALL LIMIT THE RIGHT TO TERMINATE EMPLOYMENT AT WILL. NO OFFICER, EMPLOYEE OR REPRESENTATIVE OF THE COMPANY IS AUTHORIZED TO ENTER INTO AN AGREEMENT—EXPRESS OR IMPLIED—WITH ANY EMPLOYEE FOR EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME UNLESS SUCH AN AGREEMENT IS IN A WRITTEN CONTRACT SIGNED BY THE PRESIDENT OF THE COMPANY.

This Employee Handbook refers to current benefit plans maintained by the company. Refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the benefit plan. Those documents are controlling.

Likewise, if a written contract is inconsistent with the Employee Handbook, the written contract is controlling.

Teamwork

At all times, you represent the company, and it is up to each one of you to take this responsibility seriously. Our company exists with your joint efforts. Don't underestimate your contribution to it. A great many people outside the business who invest their time, money and faith in us are part of that equation. They are our customers. They will determine how fast we grow, how many people we will employ, how much service we render and the profit we make. In order to retain these customers, we want to ensure that our good service continues by always giving our customers the best possible value and quality. Working together and working well provides us with a bright future and with the most important commodity, a good reputation.

Equal Employment Opportunity

Our company is committed to equal employment opportunities. We will not discriminate against employees or applicants for employment on any legally recognized basis ["protected class"] including, but not limited to veteran status, uniform service member status, race, creed, color, religion, sex, childbearing potential, familial status, national origin, age, physical or mental disability, genetic information, sexual orientation, gender identity, receipt of public assistance or any other protected class under federal, state, or local law.

In Ohio, the following also are a protected class: race; color; religion; sex; pregnancy, or any illness arising out of and occurring during the course of pregnancy, childbirth or related medical conditions; national origin; disability; age [40 or over], military status and ancestry.

You may discuss equal employment opportunity related questions with the Human Resources Department or any other designated member of management.

Affirmative Action

The company has been and will continue to be an equal opportunity employer. To assure full implementation of this equal employment policy, we will take steps to make sure that:

- a) Persons are recruited, hired, assigned and promoted or demoted without regard to veteran status, uniform service member status, race, creed, color, religion, sex, childbearing potential, familial status, national origin, age, physical or mental disability, genetic information, sexual orientation, gender identity, receipt of public assistance or any other legally recognized protected personal characteristics.
- b) Similarly, all other personnel actions, such as compensation, benefits, transfers, layoffs and recall from layoffs, access to training, education, tuition assistance and social recreation programs are administered without regard to veteran status, uniform service member status, race, creed, color, religion,

sex, child bearing potential, familial status, national origin, age, physical or mental disability, genetic information, sexual orientation, gender identity, receipt of public assistance or any other legally recognized protected personal characteristics.

We have appointed the Human Resources Administrator to take on the responsibility of company EEO coordinator. The EEO coordinator will be responsible for the day-to-day implementation and monitoring of our Affirmative Action Plan. As part of that responsibility, the EEO coordinator will periodically analyze the company's personnel actions and their effects to ensure compliance with our equal employment policy.

If you have any questions about this policy or would like to review or be considered under our Affirmative Action Plan, please see the Human Resources Administrator.

Americans with Disabilities Act

Our company is committed to providing equal employment opportunities to qualified individuals with disabilities. This may include providing reasonable accommodation where appropriate in order for an otherwise qualified individual to perform the essential functions of the job. It is your responsibility to notify Human Resources of the need for accommodation. Upon doing so, Human Resources may ask you for your input or the type of accommodation you believe may be necessary or the functional limitations caused by your disability. If you request an accommodation or if the company has concerns about your ability to safely perform the essential functions of your job, it may also request that you provide additional information from your physician that you submit to an examination conducted by a physician of the company's choosing. The company will not seek genetic information in connection with requests for accommodation. All medical information received by the company in connection with a request for accommodation will be treated as confidential.

A Word about our Employee Relations Philosophy

We are committed to providing the best possible climate for maximum development and goal achievement for all employees. Our practice is to treat each employee as an individual. We seek to develop a spirit of teamwork; individuals working together to attain a common goal.

In order to maintain an atmosphere where these goals can be accomplished, we provide a comfortable and progressive workplace. Most importantly, we have a workplace where communication is open, and problems can be discussed and resolved in a mutually respectful atmosphere. We take into account individual circumstances and the individual employee.

We firmly believe that with direct communication, we can continue to resolve any difficulties that may arise and develop a mutually beneficial relationship.

No Harassment

We prohibit harassment and/or bullying of one employee by another employee, supervisor or third party for any reason based upon an individual's veteran status, uniform service member status, race, creed, color, religion, sex, childbearing potential, familial status, national origin, age, physical or mental disability, genetic information, sexual orientation, gender identity, receipt of public assistance or any other category protected under federal, state, or local law.

In Ohio, the following also are a protected class: race; color; religion; sex; pregnancy, or any illness arising out of and occurring during the course of pregnancy, childbirth or related medical conditions; national origin; disability; age [40 or over], military status and ancestry.

Violation of this policy will result in disciplinary action, up to and including immediate discharge.

If you have any questions about what constitutes harassing or bullying behavior or what conduct is prohibited by this policy, please discuss the questions with your immediate supervisor or one of the contacts listed in this policy. At a minimum, the term “harassment” as used in this policy includes any of the following activities pertaining to an individual’s veteran status, uniform service member status, race, creed, color, religion, sex, childbearing potential, familial status, national origin, age, physical or mental disability, genetic information, sexual orientation, gender identity, receipt of public assistance or any other category protected by federal, state, or local law:

- Offensive remarks, comments, jokes, slurs, threats, or verbal conduct.
- Offensive pictures, drawings, photographs, figurines, writings, or other graphic images, conduct, or communications, including text messages, instant messages, websites, voicemails, social media postings, e-mails, faxes, and copies.
- Offensive sexual remarks, sexual advances, or requests for sexual favors regardless of the gender of the individuals involved; and
- Offensive physical conduct, including touching and gestures, regardless of the gender of the individuals involved.

We also absolutely prohibit retaliation, which includes threatening an individual or taking any adverse action against an individual for (1) reporting a possible violation of this policy, or (2) participating in an investigation conducted under this policy.

Our supervisors and managers are covered by this policy and are prohibited from engaging in any form of harassing, discriminatory, or retaliatory conduct. No supervisor or other member of management has the authority to suggest to any applicant or employee that employment or advancement will be affected by the individual entering into (or refusing to enter into) a personal relationship with the supervisor or manager, or for tolerating (or refusing to tolerate) conduct or communication that might violate this policy. Such conduct is a direct violation of this policy.

Even non-employees are covered by this policy. We prohibit harassment, discrimination, or retaliation of our employees in connection with their work by non-employees. Immediately report any harassing or discriminating behavior by non-employees, including contractor or subcontractor employees. Any employee who experiences or observes harassment, discrimination, or retaliation should report it using the steps listed below.

If you have any concern that our No Harassment policy may have been violated by anyone, you must immediately report the matter. Due to the very serious nature of harassment, discrimination and retaliation, you must report your concerns to one of the individuals listed below:

1. Your supervisor. If you feel that you cannot speak to your supervisor, then contact
2. Human Resources, or
3. The Chief Compliance Officer/General Manager (CCO/GM) at (330) 436-5810 and 2471 Ley Dr., Akron, OH, 44319.

If an employee makes a report to any of these members of management and the manager either does not respond or does not respond in a manner the employee deems satisfactory or consistent with this policy, the employee is required to report the situation to one of the other members of management designated in this policy to receive complaints.

You should report any actions that you believe may violate our policy no matter how slight the actions may seem.

We will investigate the report and then take prompt, appropriate remedial action. The company will protect the confidentiality of employees reporting suspected violations to the extent possible consistent with our investigation.

You will not be penalized or retaliated against for reporting improper conduct, harassment, discrimination, retaliation, or other actions that you believe may violate this policy.

We are serious about enforcing our policy against harassment. Persons who violate this or any other company policy are subject to discipline, up to and including discharge. We cannot resolve a potential policy violation unless we know about it. You are responsible for reporting possible policy violations to us so that we can take appropriate actions to address your concerns.

Anti-Human Trafficking

Akron Auto Auction Inc. (“AAA”) has developed this Anti-Human Trafficking Policy (the “Policy”) per federal and state law. The purpose of this Policy is to ensure employees, agents and subcontractors are aware of prohibited conduct under anti-trafficking regulations and laws as well as actions that may result from violations.

AAA has a zero-tolerance policy and strictly prohibits employees, subcontractors and agents from engaging in human trafficking-related activities. These activities include engaging in sex trafficking, procuring commercial sex acts (even if this practice is legal in the jurisdiction where it transpires), using force, fraud, or coercion to subject a person to involuntary servitude, or obtaining labor from a person by threats of serious harm to that person or another person, among others.

AAA also prohibits employees, subcontractors, agents from engaging in practices relating to trafficking in persons, including, but not limited to:

- Destroying or otherwise denying access to employee’s identity or immigration documents.
- Using misleading or fraudulent practices to recruit employees, such as failing to disclose key terms and conditions of employment.
- Using recruiters that do not comply with local labor laws.
- Charging employees recruitment fees.
- Failing to provide return transportation to certain employees who are brought to the country for the purpose of working on a US government contract.
- Providing housing that fails to meet host country standards.
- Failing to provide an employment contract or work document where required by law.

AAA will take appropriate disciplinary action for any violation of the above rules, including discharge of employees, subcontractors and agents. AAA must cooperate with the US government or other appropriate governmental authorities in audits or investigations relating to such violations. AAA’s employees are required to cooperate in any internal or external investigation of suspected wrongdoing. Anyone having

knowledge of credible information concerning actual or potential violations must report them immediately to AAA's Human Resources or AAA's General Counsel. Time is of the essence. You may also report by contacting the Global Human Trafficking Hotline at 1-844-888-FREE or help@befree.org. AAA does not tolerate retaliation or threats of such against anyone who raises a concern under this Policy or who assists with an internal or governmental audit or investigation. Any employee who engages in retaliation or threats of retaliation will face disciplinary action, which could result in termination of employment. A copy of this Policy will be posted in the employee handbook and at the workplace and reviewed annually.

Employment Categories

Employees are classified as follows:

- SALARY EMPLOYEES regularly work at least a 40-hour workweek.
- VARIABLE HOUR EMPLOYEES work a variety of hours ranging from 11-39 hours each week.
- SALE DAY EMPLOYEE does not work regularly scheduled hours but are expected to work on Sale Days and on an as-needed basis.

In addition to the preceding categories, employees are also categorized as "exempt" or "non-exempt."

NON-EXEMPT EMPLOYEES are entitled to overtime pay as required by applicable federal and state law.

EXEMPT EMPLOYEES are not entitled to overtime pay and may also be exempt from minimum wage requirements pursuant to applicable federal and state laws.

Upon hire, your supervisor/manager will notify you of your employment classification and your specific requirements for recording the time you work.

Driver's License/Driving Record

Employees in positions where the operation of a motor vehicle is an essential duty of the position must present and maintain a valid driver's license and acceptable driving record to our insurer. You will be required to sign an authorization for us to check your driving record. Changes in your driving record must be reported to your supervisor immediately. Violations of this policy may result in immediate termination of your employment.

Immigration Reform and Control Act

In compliance with the federal Immigration Reform and Control Act of 1986 (IRCA), as amended, and any state law requirements, if applicable, our company is committed to employing only individuals who are authorized to work in the United States.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility.

If an employee is authorized to work in this country for a limited time period, the individual will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by the company.

New Employee Orientation

Upon joining our company, you were given this copy of our Employee Handbook. After reading this Employee Handbook, please sign the receipt page and return it to your supervisor/manager. You will be asked to complete personnel, payroll and benefit forms, as well as safety and compliance training.

If you lose your Employee Handbook or if it becomes damaged in any way, you may obtain a new copy from your supervisor or Human Resources.

Suggestions and Ideas

We are always interested in your constructive ideas and suggestions for improving our operations. Your suggestions should be submitted to your supervisor/manager. After we review your suggestion, you will be notified whether it is feasible to put it into practice.

Talk to Us

We encourage you to bring your questions, suggestions and complaints to our attention. We will carefully consider each of these in our continuing effort to improve operations.

If you feel you have a problem:

First, present the situation to your supervisor/manager so the problem can be settled by examination and discussion of the facts. We hope that your supervisor/manager is able to satisfactorily resolve most matters.

Second, if you still have questions after meeting with your supervisor/manager or if you would like further clarification on the matter, request a meeting with Human Resources. He/she will review the issues and meet with you to discuss possible solutions.

Finally, if you still believe your problem has not been fairly or fully addressed, request a meeting with the CCO/GM.

Your suggestions and comments on any subject are important, and we encourage you to take every opportunity to discuss them with us. Your job will not be adversely affected in any way because you choose to use this procedure.

If at any time you do not feel comfortable speaking with your supervisor/manager or the next level of management, discuss your concern with any other member of management with whom you feel comfortable.

Section II

Your Pay and Progress

Time Keeping

All non-exempt employees will be expected to record their time. As directed by your supervisor and depending on your position, you will be either manually clocking in or remotely clocking in and out. Do not clock in more than five minutes before the beginning of your shift. You are expected to work until the end of your shift. Do not clock in for another employee under any circumstances.

All employees subject to this policy are required to accurately record all time worked. The workweek starts on Friday and ends on Thursday.

You are expected to record your hours worked accurately so your supervisor can approve your time at the end of each pay period. Altering your timesheet, falsifying your time sheet, tampering with your timesheet, or recording time for another employee may result in disciplinary action, up to and including termination of employment.

Payday

You will be paid biweekly on Tuesday for the period that ends on the Thursday prior to payday.

When our payday is a holiday, you normally will be paid on the last working day before the holiday.

Please review your paycheck for errors. If you find a mistake, report it to the Payroll Director immediately. Your Payroll Manager will assist you in taking the steps necessary to correct the error.

Paycheck Deductions

The company is required by law to make certain deductions from your paycheck each pay period. Such deductions typically include federal and state taxes and Social Security (FICA) taxes. Depending on the location in which you are employed and the benefits you choose, there may be additional deductions. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each year for you on your Form W-2, Wage and Tax Statement.

It is the policy of the company that exempt employees' pay will not be "docked," or subject to deductions, in violation of salary pay rules issued by the United States Department of Labor and any corresponding rules issued by the state government, as applicable. However, the company may make deductions from employees' salaries in a way that is permitted under federal and state wage and hour rules. Employees will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law.

Thus, exempt employees may be subject to the following salary deductions, except where prohibited by state law, but only for the following reasons:

- **If all vacation time/sick time is used and the employee takes a personal/sick day**
- **If there is a safety policy violation or general behavior violation and the employee is suspended without pay**
- **If the employee takes FMLA and their PTO has run out**

- **If the employee is out for an entire week and their PTO has run out**
- **If the employee starts or ends their position mid-week**

The company will not make deductions which are prohibited by the Fair Labor Standards Act or state laws from its exempt employees' pay.

If questions or concerns about any pay deductions arise, employees may discuss and resolve them with your Payroll Director. If an error is found, you will receive an immediate adjustment which will be paid no later than on the next regular payday.

Payroll Advances

Payroll advances may not be taken in a greater sum than \$50 per pay period. Any such advance will be left to the discretion of upper management so as not to become excessive or recurrent.

Garnishment/Child Support

When an employee's wages are garnished by a court order, our company is legally bound to withhold the amount indicated in the garnishment order from the employee's paycheck. Our company will, however, honor applicable federal and state guidelines that protect a certain amount of an employee's income from being subject to garnishment.

Direct Deposit

In our attempts to be a paperless company, we utilize direct deposit in lieu of paper checks. You will have access to our payroll service provider for the convenience of printing paystubs at your leisure.

Performance Reviews

Your performance is important to our company. Your job progress within our company will be reviewed and your supervisor/manager will help you set new job performance plans. Your supervisor/manager will review your performance at least once each year.

Our performance review program provides the basis for better understanding between you and your supervisor/manager, with respect to your job performance, potential and development within the company.

Job Descriptions

The company maintains a job description for each position in the company. The job description outlines many of the essential duties and responsibilities of the position. When the duties and/or responsibilities of a position change, the company reserves the right to revise the job description to reflect those changes. If you have any questions or wish to obtain a copy of your position's job description, please see your supervisor/manager.

Promotions and Transfers

We believe that career advancement is rewarding for both the employee and the company. We will promote qualified employees to new or vacated positions whenever possible. In addition, your immediate supervisor is available to discuss transfer opportunities with you.

Job openings may be posted in-house. If you are interested in applying for one of these positions, notify your immediate supervisor and write to the person indicated on the notice.

Pay Raises

Depending upon your performance and our company's profitability, adjustments in your pay may be made when there has been an improvement in or sustainment of an already good performance during the review period.

Overtime

There will be times when you will need to work overtime so that we may meet the needs of our customers. Although you will be given advance notice when feasible, this is not always possible. Overtime is calculated after an additional half hour has been worked. Anything less than this amount cannot be classified as overtime. Overtime hours will be accurately and consistently recorded. Employees may receive certain days off in lieu of compensation for overtime. Non-exempt employees must have all overtime approved in advance by their supervisor/manager.

Hourly employees will be paid at a rate of time and one half their regular hourly rate for hours worked in excess of 40 hours in a workweek, unless state law provides a greater benefit in which case, we will comply with the state law.

Salary non-exempt employees are paid a flat amount regardless of hours worked up to 40 hours per week. Salary employees will be paid at a rate of one half their regular hourly rate for hours worked in excess of 40 hours in a workweek, unless state law provides a greater benefit in which case, we will comply with the state law.

Salary exempt employees are paid a flat amount per pay period regardless of hours worked. Salary exempt employees are not eligible to receive overtime pay.

Only actual hours worked count toward computing weekly overtime.

If you have any questions concerning the calculation of overtime pay, check with the Payroll Director.

Supervisors must not ask, encourage, or allow employees to work unreported and unauthorized overtime to complete their duties. There will be absolutely no working 'off the clock'. Any work done 'off the clock' will be cause for disciplinary action, possibly including immediate termination. Please report any violations to Human Resources.

Section III

Time Away from Work and Other Benefits

Employee Benefits

Our company has developed a comprehensive set of employee benefit programs to supplement our employees' regular wages. Our benefits represent a hidden value of additional income to our employees.

This Employee Handbook describes the current benefit plans maintained by the company. Refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the benefit plan. Those documents are controlling.

The company reserves the right to modify and/or terminate its benefits at any time. We will keep you informed of any changes.

Health and Welfare Benefit Plans

The company offers several welfare benefit programs to Employees eligible to participate in these programs once the plan's waiting period has been satisfied.

Salary Employees are eligible to participate in the Medical Plan, Dental, Vision, Disability, and Life Insurance Programs.

Variable Hour Employees may be eligible to participate in the Medical Plan based on hours worked as well as other programs such as Dental, Vision, Disability, and Life Insurance Programs. For more information, see Human Resources for specific qualifications.

Your dependents are eligible to participate in accordance with the law and the provisions of the contracts governing these programs. If your spouse's job provides for benefits, your spouse must participate in his/her benefits program. You may share in the cost of these benefits with the company.

Please note that the programs and their provisions are subject to change at any time and at the sole discretion of the company. This Employee handbook is neither a plan document nor a summary plan description. You should always refer to the insurance contracts and certificates of coverage as these documents will rule in the case of a dispute.

Holidays

Our company normally observes the following holidays during the year:

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

- Christmas Day

Salary employees are eligible for paid holidays after completing their introductory period and will receive holiday pay in compliance with state and federal wage and hour laws.

Paid Time Off

Salaried employees

PTO is calculated according to your anniversary date.

Effective January 1st, 2015: During your initial year of employment, you earn PTO that can be taken following your 90-day probationary period. Your direct supervisor will inform you of the amount of PTO and the date on which you become eligible. Thereafter, you receive PTO as follows:

Years of Service	Days of PTO
0 – 4	10
5 – 9	15
10 and beyond	20

Submit PTO requests in writing or electronically at least two weeks in advance to your direct supervisor. When possible, PTO requests are granted, taking into account operating requirements. Length of employment may determine priority in scheduling PTO times.

PTO can be carried over from one year to the next up to but not exceeding 40 hours. PTO may be cashed in at the end of your year up to but not exceeding 40 hours.

At the end of employment, employees will not be paid for accrued but unused PTO.

Hourly employees

Effective January 1st, 2020: You will accrue 1 hour of PTO for every 40 hours you work. The PTO earned can be taken following your 90-day probationary period. PTO hours earned will cap at 56 hours per calendar year if you do not use them.

Submit PTO requests in writing or electronically at least two weeks in advance to your direct Supervisor. When possible, PTO requests are granted, taking into account operating requirements. Length of employment may determine priority in scheduling PTO times.

PTO *can* be carried over from one calendar year to the next, however, if it remains unused, it will fall off after that second year.

PTO pay is NOT granted in lieu of taking actual time off. At the end of employment, eligible employees will not be paid for accrued but unused PTO.

PTO taken in excess of the PTO accrued can result in progressive disciplinary action up to and including termination of employment. This time off will be unpaid.

Jury Duty

Employees summoned for jury duty are granted unpaid leave in order to serve. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

We reserve the right to request proof of jury service issued by the Court upon return. Make arrangements with your supervisor/manager as soon as you receive your summons. When permitted by state law, we expect you to return to your job if you are excused from jury duty during your regular working hours.

Bereavement Leave

Salary employees who have completed 90 days of employment are eligible for three paid days for the death of an immediate family member. An additional two days may be granted at the company's discretion.

Variable hour employees who have completed 90 days of employment are eligible for three unpaid days for the death of an immediate family member. An additional two days may be granted at the company's discretion.

Akron Auto Auction defines "immediate family" as a spouse of the Employee and parents thereof, sons and daughters and spouses thereof, parents and spouses thereof, brothers/sisters and spouses thereof, grandparents/grandchildren and spouses thereof, domestic partner and parents thereof, and any individual whose close association with the Employee is the equivalent of a family relationship; a biological relationship is not necessary.

Requests for bereavement leave should be made to your supervisor/manager as soon as possible. Our company reserves the right to request written verification of an employee's familial relationship to the deceased and his or her attendance at the funeral service as a condition of the bereavement pay.

Maternity Leave

Salary employees who have completed 90 days of employment are eligible for 6 weeks paid maternity leave. This time will run concurrent with FMLA. Please see Appendix A for more detail on FMLA.

COBRA

You and/or your covered dependents will have the opportunity to continue medical and/or dental and vision benefits for a period of up to 36 months under the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA) when group medical and/or dental and vision coverage for you and/or your covered dependents would otherwise end due to your death or because:

- your employment terminates, for a reason other than gross misconduct; or
- your employment status changes due to a reduction in hours; or
- your child ceases to be a "dependent child" under the terms of the medical and/or dental and vision plan; or

- you become divorced or legally separated; or
- you become entitled to Medicare.

In the event of divorce, legal separation, or a child's loss of dependent status, you or a family member must notify the plan administrator within 60 days of the occurrence of the event. The plan administrator will notify the individuals eligible for continuation coverage of their right to elect COBRA continuation coverage. For more information regarding COBRA, you may contact the Payroll Manager.

Federal Family and Medical Leave Act

The Family and Medical Leave Act ("FMLA") provides eligible employees the opportunity to take unpaid job-protected leave for certain specific reasons. The maximum amount of leave an employee may use is 12 weeks within a 12-month period.

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- for 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, daughter or parent, who has a serious health condition.
- for a serious health condition that makes the employee unable to perform the employee's job.

You will find additional information about your rights under the Family and Medical Leave Act on the Employee Rights and Responsibilities under the Family and Medical Leave Act posters located throughout our offices and buildings.

Upon request, you will be furnished with all the information you need to understand and apply for a leave of absence under the Family and Medical Leave Act.

See Appendix A for complete details of AAA's Family and Medical Leave Act Policy.

Social Security

During your employment, you and the company both contribute funds to the federal government to support the Social Security program. This program is intended to provide you with retirement benefit payments and medical coverage once you reach retirement age.

Workers' Compensation

On the job injuries are covered by our Workers' Compensation insurance policy. This insurance is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim. We ask for your assistance in alerting management to any condition that could lead to or contribute to an employee accident.

Section IV

On the Job

Conduct at Customer's Office

The nature of our company may require that employees perform work connected with a customer's assignment at the customer's office. The importance of professional conduct when working in a customer's office cannot be emphasized enough. Professional conduct is a broad term that is open to many interpretations. The following guidelines describe appropriate conduct when working at a customer's office:

- Limit discussions with customer employees to matters that concern their department and level of responsibility.
- Do not discuss internal affairs and procedural problems with management with customer personnel.
- Avoid comments or criticisms involving other companies and their particular work or fees.
- Avoid comments or criticisms of customer employees.
- Avoid conversations involving customer matters in all places that would violate customer confidentiality.
- Do not borrow money from a customer.

Confidentiality of Customer Matters

Our professional ethics require that each employee maintain the highest degree of confidentiality when handling customer matters. To maintain this professional confidence, no employee shall disclose customer information to other customers, friends, or members of one's own family. Questions concerning customer confidentiality may be addressed to your supervisor/manager.

Payment Card Industry Data Security Standard (PCI DSS) Compliance

Akron Auto Auction Inc. requires all employees to follow PCI DSS standards to protect consumers credit card information. Cardholder data, specifically the credit card number, card holder name, expiration date and security code (CSC) must be protected at all times. Employees are required to protect this information and are not permitted to copy or store this information.

Any and all customer complaints should be directed to your immediate supervisor promptly.

Social Security Number Privacy and Protection of Personal Information

To ensure to the extent practicable the confidentiality of our employees' and applicants' Social Security Numbers (SSNs) and confidential personal information, no employee may acquire, disclose, transfer, or unlawfully use the SSN or personal information of any employee except in accordance with company policy. The release of employee SSNs, driver's license numbers, or financial account numbers to external parties is prohibited except where required by law. Internal access to employee SSNs, driver's license numbers, or financial account numbers is restricted to employees with a legitimate business need for the information.

Employee SSNs and personal information may be collected in the ordinary course of business for the purpose of identity verification or to administer benefits and in accordance with state and federal laws. Records that include Social Security numbers and personal information will be maintained in accordance with federal and state laws.

Any documents that include employee SSNs or personal information which are to be discarded must be destroyed by shredding paper documents and running a data scrubbing program before disposing of electronic storage media. Any violation of this policy will result in disciplinary action up to and including discharge.

Where this company policy and operating procedures may conflict with state law, the state law shall supersede this policy. *For more information about this policy and the company's operating procedures, please contact the CFO for additional information on the Company's Red Flag policy and procedure in the Data Retention and Preservation Plan for disposal of documents.*

Attendance and Punctuality

Attendance and punctuality are important factors for your success within our company. We work as a team, and this requires that each person be in the right place at the right time. If you are going to be late for work or absent, notify your supervisor/manager as far in advance as is feasible under the circumstances, but before the start of your shift.

Personal issues requiring time away from your work, such as doctor's appointments or other matters, should be scheduled during your nonworking hours if possible. If you are absent for three days without notifying the company, it is assumed that you have voluntarily abandoned your position with the company, and you will be removed from the payroll.

Notifying AAA that you will be tardy or absent DOES NOT mean that your absence is excused. If you do not report to work when your absence is not excused, you will be subject to corrective action up to and including termination.

Employment Physicals

You may be asked periodically to complete employment physicals to be sure you are able to safely perform the essential functions of your job with or without reasonable accommodation. This is a safety precaution and will be performed by a physician of the company's choosing at the company's expense.

Business Hours

Because of the nature of our business, your work schedule may vary depending on your job. Our normal business hours are 9:00 a.m. to 5:00 p.m., Monday through Wednesday and 9:00 a.m. to 3:00 p.m. Thursday and Friday. Check with your supervisor/manager if you have questions about your hours of work.

Mealtime

A meal break may or may not be scheduled pending your position and hours scheduled. Please check with the supervisor on a daily basis to verify if you will receive a meal break.

Employees are not permitted to eat in or around customer service areas during their meal break. Employees remaining on work premises during their meal break may eat in the break room, cafeteria or designated areas away from customer service areas. Please speak to the supervisor/manager for additional information.

Cafeteria Services

Our company provides a cafeteria for all employees and customers. The cafeteria is located in the main building and is open Monday, Thursday and Friday from 11:00am to 2:00pm and Tuesdays from 8:00am to 1:00pm.

Breaks

Employees will receive one 15-minute break in the morning and one 15-minute break in the afternoon. This time must be approved by your supervisor/manager each day.

Contact with the Company

The company should know your location at all times during business hours. The supervisor/manager will keep a record of your assignments, and he/she should be notified of your whereabouts outside the company during working hours.

On the Job Training

The supervisor/manager is responsible for initiating all on-the-job training for employees within your department. This may include safety training, compliance training, participation in off-site training and continuing education when necessary for job safety and work performance. Training will be conducted during regular working hours whenever possible.

If you have any questions regarding training, please see the supervisor/manager.

Clean Up

Please follow the auction's Clean Desk Policy at all times. If you have an assigned work area, at the end of the workday, five minutes are designated for cleaning the work area and washing up. This time is paid.

Standards of Conduct

Each employee has an obligation to observe and follow the company's policies and to maintain proper standards of conduct at all times. If an individual's behavior interferes with the orderly and efficient operation of a department, corrective disciplinary measures will be taken.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay, and/or discharge. The appropriate disciplinary action imposed will be determined by the company. The company does not guarantee that one form of action will necessarily precede another.

Nothing in this policy is designed to modify our employment-at-will policy.

Since the proper working relationship of all Employees depends upon each of us, the company has established certain minimum standards of conduct.

No Employee will directly or indirectly maintain outside business or financial interests or engage in any other outside business or financial activity that conflicts, in any manner, with the interests of the company whether on company property or not. An Employee wishing to engage in part-time employment in addition to working for the company must have such employment approved, in advance, by the president of the company.

AAA requires order and discipline to succeed and to promote efficiency, productivity, and cooperation among employees. For this reason, it may be helpful to identify some examples of conduct that are impermissible, and which may lead to disciplinary action, possibly including immediate discharge. Although it is not possible to provide an exhaustive list of all types of impermissible conduct and performance, the following list contains some examples:

The following conduct is prohibited, and individuals engaged in it will be subject to discipline, up to and including termination:

1. **Weapons.** Unauthorized possession of firearms, explosives, or any other dangerous weapons or materials on auction premises or while performing auction duties.
2. **Fighting.** Provoking or instigating a fight with another employee or any other person during working hours on company property.
3. **Harassment.** We do not tolerate harassment of any of our employees. Any form of harassment that violates federal, state, or local law including, but not limited to harassment related to an individual's veteran status, uniform service member status, race, creed, color, religion, sex, childbearing potential, familial status, national origin, age, physical or mental disability, genetic information, sexual orientation, gender identity, receipt of public assistance, is a violation and will be treated as a disciplinary matter.
4. **Substance Abuse.** Reporting to work under the influence of alcohol, illegal drugs, or narcotics, or using, selling, dispensing, or possessing alcohol, illegal drugs, or narcotics on company premises is unacceptable. Substance abuse will not be tolerated at the auction. Employees may be required to submit to drug/alcohol screening whenever an auction supervisor feels they have violated this rule.
5. **Detriment.** Disclosing secrets or confidential information is strictly prohibited.
6. **Falsification.** No employee or applicant may ever falsify or alter any record or report, such as an employment application, medical reports, production records, time records, expense accounts, absentee reports, shipping and receiving records, or any other auction document.
7. **Theft.** Theft or misappropriation of customer, employee, or auction property. Unauthorized removal of any of the above, including items found on the premises. Lost items that are found by employees must be turned in to their supervisor immediately.
8. **Misusing communications systems.** The use of personal cell phones while at work is disruptive and strictly prohibited. Misuse of communications systems including electronic mail, computers, Internet access, and telephones for personal use are grounds for disciplinary measures.
9. **Insubordination.** Refusing to follow management's instructions concerning a job-related matter or being insubordinate. We all have duties to perform and everyone, including your supervisor, must

follow directions from someone. It is against our policy for an auction employee to refuse to follow the directions of a supervisor or management official in an insubordinate manner in any respect.

10. **Safety.** We are committed to providing a safe place for you to work and we have established a safety program to ensure that everyone understands the importance of safety. This program requires all of us to exercise good judgment and common sense in our daily work. Failing to abide by safety rules and policies can put yourself or others in danger and will not be tolerated.
11. **Solicitation.** Soliciting or distributing in violation of company policies.
12. **Unauthorized areas.** Eating or drinking in unauthorized areas, *such as auction vehicles*. Smoking where prohibited by local ordinance or company [refer to the section on Smoking for more details].
13. **Bad Attitude.** Every employee should display a positive attitude toward their job. A bad attitude creates a difficult working environment and prevents the auction from providing quality service to our customers. Using profanity or abusive language is strictly prohibited.
14. **Poor performance.** Malingering, loitering, or sleeping on the job; Failure to keep your work area clean, including chase, lot, and security vehicles; early quitting and leaving; Unexcused tardiness; Failure to perform job assignments satisfactorily and efficiently; Excessive or unauthorized absence from work. Employees are expected to make every effort to learn their job and to perform at a level satisfactory to the auction at all times.
15. **Roughhousing.** Playing pranks or engaging in horseplay.
16. **Personal Appearance.** This is a place of business, so please remember to dress accordingly. All employees are to present a neat, well-groomed appearance. Wearing improper attire or having an inappropriate personal appearance reflects the auction and is grounds for disciplinary measures.
17. **Unauthorized time.** Working overtime without authorization, failure to punch in or out, punching in or out for another employee, or permitting your time sheet to be filled out by another employee is unacceptable.
18. **Damage.** Malicious misuse, destruction, or damage of any auction property or the property of any employee or customer. *If an auction vehicle or property incurs any damage by an employee or is witnessed by an employee, that employee is responsible for reporting the damage immediately. The employee may be responsible for a percentage of the repair cost.*

The examples of impermissible behavior described above are not intended to be an all-inclusive list. At management's discretion, any violation of the company's policies or any conduct considered inappropriate or unsatisfactory may subject the Employee to disciplinary action. This pertains to all employees representing AAA on or off the premises. Questions about these policies should be directed to your supervisor or Human Resources.

It should be remembered that employment is at the mutual consent of the Employee and the company. Accordingly, either the Employee or the company can terminate the employment relationship at will, at any time, either with or without cause or advance notice.

Customer and Public Relations

Our company's reputation is built on excellent customer service. To maintain this reputation requires the active participation of every employee. The opinions and attitudes that customers have toward our company may be determined for a long period of time by the actions of one employee. It is sometimes easy to take a customer for granted, but if we do, we run the risk of losing not only that customer, but his

or her associates, friends or family who may also be customers or prospective customers. Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

Changes in Personal Data

To aid you and/or your family in matters of personal emergency, we need to maintain up to date information. Changes in name, address, telephone number, marital status, number of dependents or changes to next of kin and/or beneficiaries should be given to the Human Resources Director promptly.

Company and Consigned Vehicles

Operators of company and consigned vehicles are responsible for the safe operation and cleanliness of the vehicle. Accidents involving a company and consigned vehicle must be reported to your supervisor/manager immediately.

Smoking is prohibited in company vehicles. The use of seat belts is mandatory for operators and passengers of company and consigned vehicles. Employees are responsible for any moving and parking violations and fines that may result when operating a company and consigned vehicle.

Company and consigned vehicles should be operated by the employee only. Unless otherwise permitted by management, company vehicles may only be used for job-related travel.

Employees are encouraged to take appropriate safety precautions when using their cellular telephones. The use of cellular telephones, including texting, while driving is prohibited. Employees are expected to comply with applicable state laws regarding the use of cellular telephones.

For additional information, please ask your supervisor.

Personal Property

The company is not responsible for loss or damage to personal property. Valuable personal items, such as purses and all other valuables should not be left in areas where theft might occur.

Personal Telephone Calls

It is important to keep our telephone lines free for customer calls. Although the occasional use of the company's telephones for a personal emergency may be necessary, routine personal calls should be kept to a minimum.

Section V

Acceptable Use of Electronic Mail, Internet, and Other Electronic Communications

This policy contains guidelines for Electronic Communications created, sent, received, used, transmitted, or stored using company communication systems or equipment and employee provided systems or equipment used either in the workplace, during working time or to accomplish work tasks. "Electronic Communications" include, among other things, messages, images, data or any other information used in e-mail, instant messages, voice mail, fax machines, computers, personal digital assistants (tablet, smart phone or similar devices), pagers, telephones, cellular phones Intranet, Internet, back-up storage, information on any type of internal or external removable storage drives. In the remainder of this policy, all of these communication devices are collectively referred to as "Systems."

The Systems at AAA are provided for convenience in communications. Thus, electronic mail and other Systems are the property of AAA and employees of AAA do not have any personal privacy rights in any matter created, received, or sent from AAA's electronic mail or other Systems. Further, AAA must have access to the entire Systems for emergencies and maintenance.

Employees are reminded of the confidentiality of client information and should disclose information or messages from the Systems only to authorized employees. Electronic mail messages can be seen by anyone in the vicinity of an unattended computer logged onto the network. As recent court cases demonstrate, electronic mail and other Systems may be discoverable in litigation, for which reason, email and other communications from Systems should be drafted and stored with care.

Employees should make every effort to limit personal e-mails and confine these types of emails to the Bulletin Board. No messages or Bulletin Board announcements should be created or sent which may constitute intimidating, hostile or offensive material on the basis of sex, race, color, religion, national origin, sexual orientation, or disability. AAA's policy against sexual or other harassment applies fully to the electronic mail and other Systems, and any violation of that policy is grounds for discipline up to and including discharge.

All employees should understand that electronic mail and other Systems are not for private use and should be used prudently. Again, employees do not have personal privacy rights when using AAA's computers or other electronic devices on AAA Systems. Further, in the event AAA becomes aware of any violations of this policy by an employee, it expressly reserves the right to access, retrieve, read and delete any communication created, received or sent in electronic mail or other Systems.

Access to the Internet is provided by AAA exclusively for business purposes. The same obligations, limitations and requirements that apply to the use of e-mail and other computer-based capabilities apply to the use of the Internet. Accessing Internet sites which house or provide intimidating, hostile or offensive material on the basis of sex, race, color, religion, national origin, genetic information, sexual orientation, or disability is prohibited. "Facebooking" "Twitting" or "Blogging" on company time and company equipment is also not permitted. Please be aware that disparaging comments about AAA, its products, services or supervision made on personal "blogs" will be considered in assessing an employee's performance and suitability.

In addition, please be aware that materials available on the Internet may be protected by copyright laws. Although many providers of information permit the downloading of material for personal use, be certain to check if there are limitations even on this use. In general, use of materials from the Internet for other than personal use, e.g., commercial use, mass distribution to others either on its own or as part of AAA materials, should only be done in accordance with applicable copyright laws.

All Systems passwords and encryption keys must be available and known to AAA's IT Manager. Employees may not install password or encryption programs without the written permission of AAA's IT Manager. Employees may not use the passwords and encryption keys belonging to others.

Employees also must comply with applicable laws relating to Electronic Communications and should recognize that an employee could be personally liable and/or subject to fine and imprisonment for violation of applicable laws. This policy does not limit an employee's rights under Section 7 of the National Labor Relations Act. Nothing in this policy is meant to restrict an employee's right to discuss the terms and conditions of his/her employment during non-working hours using non-company systems.

Violations of this policy may result in disciplinary action up to and including discharge as well as possible civil liabilities or criminal prosecution. Where appropriate, AAA may advise legal officials or appropriate third parties of policy violations and cooperate with official investigations. We will not, of course, retaliate against anyone who reports possible policy violations or assists with investigations.

Every employee at AAA is responsible for seeing that the electronic mail or other Systems and Internet is used properly and in accordance with this policy. If you have questions about the acceptable use of our Systems or the content of Electronic Communications, ask your IT Manager for advance clarification.

Social Media Policy

At AAA, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, the use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

This policy applies to all associates who work for AAA.

Guidelines

In the rapidly expanding world of electronic communication, *social media* can mean many things. *Social media* includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with AAA, as well as any other form of electronic communication. The same principles and guidelines found in AAA's policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates or otherwise adversely affects members, customers, suppliers, people who work on behalf of AAA or AAA's legitimate business interests may result in disciplinary action up to and including termination.

Know and follow the rules

Carefully read these guidelines, along with AAA's Ethics Policy, and AAA's Discrimination & Harassment Policies to ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Be respectful

Always be fair and courteous to fellow associates, customers, members, suppliers or people who work on behalf of AAA. Also, keep in mind that you are more likely to resolve work related complaints by speaking directly with your co-workers or by utilizing our Open-Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, members, associates or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, color, religion, national origin, sexual orientation, or disability or any other status protected by law or company policy.

Be honest and accurate

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about AAA, fellow associates, members, customers, suppliers, and people working on behalf of AAA or competitors.

Post only appropriate and respectful content

- Maintain the confidentiality of AAA's trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- Do not create a link from your blog, website or other social networking site to AAA's website without identifying yourself as an AAA associate and notifying management of said activity.
- Express only your personal opinions. Never represent yourself as a spokesperson for AAA. If AAA is a subject of the content you are creating, be clear and open about the fact that you are an associate and make it clear that your views do not represent those of AAA, fellow associates, members, customers, suppliers or people working on behalf of AAA. If you do publish a blog or post online related to the work you do or subjects associated with AAA, make it clear that you are not speaking on behalf of AAA. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of AAA."

Using social media at work

Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager or consistent with AAA's policies. Do not use AAA's email addresses to register on social networks, blogs or other online tools utilized for personal use.

Retaliation is prohibited

AAA prohibits taking negative action against any associate for reporting a possible deviation from this policy or for cooperating in an investigation. Any associate who retaliates against another associate for reporting

a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Media contacts

Associates should not speak to the media on AAA's behalf without contacting management. All media inquiries should be directed to the CFO or President.

If you have questions or need further guidance, please contact your HR Administrator.

Cell Phone Use Policy

Akron Auto Auction, Inc. ("AAA") provides cellular telephones to selected employees as appropriate to their duties and responsibilities to increase productivity, and to facilitate communications with our clients/customers. Employees are expected to restrict their use of AAA cell phones to matters involving AAA business, except in true emergencies. Company cell phone invoices may be regularly monitored. Regular business etiquette is expected for all employees when speaking on a cell phone. While there may be times when employees must make or receive personal calls or text messages during business hours, they should be kept to a minimum, and must not interfere with the employee's performance of his or her work. Personal calls and/or text messaging should not be charged to AAA without prior approval. AAA will not be liable for loss of personal cell phones brought into the workplace.

Employees are urged in the strongest possible terms not to use a cell phone while driving under any circumstances, whether it is an AAA-owned cell phone or a personal cell phone, and the employee is operating an AAA vehicle, Dealer vehicle or driving their own vehicle in the course of performing their job.

AAA has adopted a policy to PROHIBIT employees from text messaging while driving. Driving means operating a motor vehicle on an active roadway with the motor running, including temporarily stationary because of traffic, a traffic light, stop sign, or otherwise. Driving does not include operating a motor vehicle with or without the motor running when one has pulled over to the side of, or off, an active roadway and has halted in a location where one can safely remain stationary. "Text messaging" means reading from or entering data into any handheld or other electronic device, including for the purpose of short message service texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include glancing at or listening to a navigational device that is secured in a commercially designed holder affixed to the vehicle, provided that the destination and route are programmed into the device either before driving or while stopped in a location off the roadway where it is safe and legal to park.

If an employee needs to make a call or text message while driving, they should find a proper parking space first. Keeping in mind that the shoulder is generally not a safe place to park, stopping on the side of the road to make a call or send a text message are not recommended. Employees with hands-free cell phones may make brief phone calls while driving but should find a safe place to park when road conditions are poor, traffic is heavy, or the conversation is complicated.

Using a cell phone while driving does greatly increase the odds of an accident occurring which could result in serious injury or even a fatality. AAA takes seriously its responsibility to ensure the safety of all our

employees as well as that of the public. Employees involved in auto accidents attributed to their use of a cell phone while driving will be subject to disciplinary action.

Please note that if you use your personal cell phone to access email for AAA's business that you waive any right to personal privacy and may be liable for the loss or destruction of information requested by AAA or any third party in a court proceeding.

Security of Electronic Devices

Each employee provided with a laptop computer, iPad, iPhone, smart phone, tablet or similar device is responsible for the physical security of that device. All devices acquired for or on behalf of the company are company property. The device must be locked up and stored in a secure location when it is not in the immediate possession of the authorized user. In addition, the user must return the device immediately upon request of the company. A user must notify the IT Manager immediately if the device is lost, stolen, misplaced, or damaged. All work created or performed on the device is company property. The device is subject to inspection by the company at any time without further advance notice. The device must be used in a manner that complies with all company policies including the Acceptable Use of Electronic Communications, Equal Employment Opportunity, No Harassment, Confidentiality of Customer Matters, and Protecting Company Information. Employees who work with electronic devices and the internet will be asked to sign a separate user agreement for those devices.

Violations of this policy may be grounds for disciplinary action up to and including discharge.

Section VI

Attire and Grooming

It is important for all employees to project a professional image while at work by being appropriately attired. AAA employees are expected to reflect a professional image whether working at our client's location, in the office or in either a formal or casual environment. Our office attire is casual Monday, Wednesday, Thursday, Friday and business casual on Tuesdays.

AAA is confident that employees will use their best judgment regarding attire and appearance. Management reserves the right to determine appropriateness. Any employee who is improperly dressed will be counseled or in severe cases may be sent home to change clothes. Continued disregard of this policy may be cause for disciplinary action.

Below is a list of inappropriate attire, this list is not all inclusive but is meant to be a guide. If you have any questions regarding appropriate attire or want to ensure that a certain item is appropriate, please contact your supervisor or Human Resources Administrator for clarification prior to wearing it to work.

Casual Dress Standards

Unacceptable Casual Attire includes the following:

- Short shorts, skirts, or dresses (above fingertip length)
- Sweatpants
- Tank tops, spaghetti straps, halter tops without a cover
- Midriff tops
- Beach wear, swim wear, flip flops
- Shoes worn at the workplace must be job appropriate (e.g., it is not appropriate for outdoor staff to wear open toe shoes, sandals, or heels of any kind).
- Wrinkled, torn, stained, dirty, faded, discolored, patched, ripped, frayed clothing – or clothing with missing buttons – are not appropriate.
- Clothing with offensive slogans or pictures, e.g., profanity and nude or seminude pictures, offensive gestures, suggestive cartoons – are not appropriate.
- Offensive body odor and poor personal hygiene is not professionally acceptable.

Special Category Personnel Attire

Outdoor and garage staff may choose to wear clothing appropriate to their assignments (e.g., exercise pants, shorts, “three finger rule” tank tops, tennis shoes, winter gear, etc.) provided that the attire does not display potentially offensive logos or other symbols. Such apparel must also be in good repair and free from excessive fading, tearing, and fraying.

Other Special Category Personnel (e.g., Sale Day Only Employees.) may wear clothing that is appropriate for their work duties and assignments provided that the attire does not display potentially offensive logos or other symbols. Such apparel must be in good repair and free from excessive fading, tearing, and fraying.

Reference Checks

Our company will not honor any oral requests for references. All requests must be in writing and on company letterhead. Generally, we will only confirm our employees’ dates of employment, salary history, and job title. Under no circumstances should an employee provide another individual with information regarding current or former employees of our company. If you receive a request for reference information, please forward it to the Human Resources Director.

Protecting Company Information

Protecting our company’s information is the responsibility of every employee. Do not discuss the company’s confidential business or proprietary business matters, or share confidential, personal employee information with anyone who does not work for us such as friends, family members, members of the media, or other business entities. You may be required to sign a non-compete and/or a nondisclosure agreement as a condition of your employment, in accordance with state and federal law. Please reference AAA’s Privacy Policy available by request from Human Resources.

Confidential information does not include information pertaining to the terms and conditions of an employee's employment. Nothing in this policy is designed to limit an employee's rights under Section 7 of the National Labor Relations Act.

All telephone calls regarding a current or former employee's position/compensation with our company must be forwarded to Human Resources.

Conflict of Interest/Code of Ethics

A company's reputation for integrity is its most valuable asset and is directly related to the conduct of its officers and other employees. Therefore, employees must never use their positions with the company, or any of its customers, for private gain, to advance personal interests or to obtain favors or benefits for themselves, members of their families or any other individuals, corporations or business entities.

The company adheres to the highest legal and ethical standards applicable in our business. The company's business is conducted in strict observance of both the letter and spirit of all applicable laws and the integrity of each employee is of utmost importance.

Employees of the company shall conduct their personal affairs such that their duties and responsibilities to the company are not jeopardized and/or legal questions do not arise with respect to their association or work with the company. All employees and officers may be required to review a separate Code of Ethics & Business Conduct and acknowledge their understanding and adherence in writing. *For more information about this policy, please contact Human Resources.*

Bulletin Board

The company maintains a bulletin board(s) in our facility as an important source of information. These bulletin boards are to be used solely for company announcements and government postings. Employees may not post anything on company bulletin boards without management approval.

Contact with the Media

All media inquiries regarding the company and its operations must be referred to the President. Only the President authorized to make or approve public statements on behalf of the company. No employees, unless specifically designated by the President, are authorized to make statements on behalf of or as a representative of the company.

Office Supplies

Our company maintains a stock of basic office supplies such as pens, paper clips, staples, notepads, etc. used on a day-to-day basis by employees. All office supplies will be provided to you by the supervisor/manager. If you need additional items not regularly stocked, please speak to the supervisor/manager to place a special order. All office supplies are for business use only and should not be removed from the office for non-business use. Violations of this policy may result in disciplinary action up to and including discharge.

If You Must Leave Us

Should you decide to leave your employment with us, we ask that you provide at least two weeks' advance written notice. Your thoughtfulness is appreciated and will be noted favorably should you ever wish to reapply for employment with the company.

Employees who are rehired following a break in service of more than two weeks, other than an approved leave of absence, must serve a new initial introductory period whether or not such a period was previously completed. Such employees are considered new employees from the effective date of their reemployment for all purposes, including the purposes of measuring some benefits.

All company property must be returned at the end of employment. Otherwise, the company may take action to recoup any replacement costs and/or seek the return of company property through appropriate legal recourse.

You should notify the company if your address changes during the calendar year in which discharge occurs so that your tax information will be sent to the proper address.

Section VII

Safety in the Workplace

Each Employee's Responsibility

Safety can only be achieved through teamwork at our company. Each employee, supervisor and manager must practice safety awareness by thinking defensively, anticipating unsafe situations and reporting unsafe conditions immediately.

Please observe the following precautions:

1. Notify your Supervisor/Manager of any emergency situation. If you are injured or become sick at work, no matter how slightly, you must inform your Supervisor/Manager immediately.
2. Notify your Supervisor/Manager if you observe any employee engaging in unsafe behavior or if you have reason to believe that the employee may pose a safety risk to himself/herself or others.
3. The use of alcoholic beverages or illegal substances during working hours will not be tolerated. The possession of alcoholic beverages or illegal substances on the company's property is forbidden.
4. Use, adjust and repair machines and equipment only if you are trained and qualified.
5. Know the proper lifting procedures. Get help when lifting or pushing heavy objects.

6. Understand your job fully and follow instructions. If you are not sure of the safe procedure, don't guess; just ask your Supervisor/Manager.
7. Know the locations, contents and use of first aid and firefighting equipment.
8. Wear personal protective equipment in accordance with the job you are performing.
9. Comply with OSHA standards and/or applicable state job safety and health standards as written in our safety procedures manual.

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

Fire Drills

Fire drills are scheduled annually. These drills are an important aspect of employee safety. We expect your complete cooperation during these drills. If you have any questions concerning evacuation procedures, see the Human Resources Director. It is important to remember AAA employees do not fight fires, in case of a fire you should leave the building in a quick and orderly manner. You should assemble at the Guard House location and call 911 as communicated to you by your supervisor/manager to await further instructions or information.

Workplace Violence

Violence by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to company property in the event someone, for whatever reason, may be unhappy with a company decision or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your supervisor/manager at once. Do not engage in either physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, contact an emergency agency (such as 911) immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and participate in an investigation of any suspected or actual cases of workplace violence and will not be subjected to disciplinary consequences for such reports or cooperation.

Violations of this policy, including your failure to report or fully cooperate in the company's investigation, may result in disciplinary action, up to and including discharge.

Workplace Searches

To protect the property and to ensure the safety of all employees, customers and the company, the company reserves the right to conduct personal searches consistent with state law, and to inspect any

packages, parcels, purses, handbags, briefcases, lunch boxes or any other possessions or articles carried to and from the company's property. In addition, the company reserves the right to search any employee's office, desk, files, locker, equipment or any other area or article on our premises. In this regard, it should be noted that all offices, desks, files, lockers, equipment, etc. are the property of the company, and are issued for the use of employees only during their employment. Inspection may be conducted at any time at the discretion of the company.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy may not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as employees who after the inspection are believed to be in possession of stolen property or illegal substances, will be subject to disciplinary action, up to and including discharge, if upon investigation they are found to be in violation of the company's security procedures or any other company rules and regulations.

Hazard Communication

Our company may use some chemicals (e.g., cleaning compounds, inks, etc.) in some of its operations. You should receive training and be familiar with the handling, use, storage and control measures relating to these substances if you will use or likely be exposed to them. Safety Data Sheets (SDS) are available for inspections in your work area. You must follow all labeling requirements.

Please consult with the designated safety coordinator prior to purchasing chemicals for the company or bringing them on to our premises. For additional information, please refer to our company's written Hazard Communication Program. If you have any questions, ask the Human Resources Director.

Housekeeping

Good work habits and a neat place to work are essential for job safety and efficiency. You are expected to keep your place of work organized and materials in good order at all times. Report anything that needs repair or replacement to the Facilities Manager.

Smoking in the Workplace

Our company is committed to providing a safe and healthy environment for employees and visitors. Smoking and/or vaping is not permitted unless in the designated smoking areas. Violations of this policy may result in disciplinary action, up to and including discharge.

No Weapons in the Workplace

Possession, use or sale of weapons, firearms or explosives on work premises, while operating company machinery, equipment or vehicles for work-related purposes or while engaged in company business off premises is forbidden except where expressly authorized by the company and permitted by state and local laws. This policy applies to all employees, including but not limited to, those who have a valid permit to carry a firearm.

Employees who are aware of violations or threats of violations of this policy are required to report such violations or threats of violations to your supervisor/manager immediately. Violations of this policy will result in disciplinary action, up to and including discharge.

In an Emergency

Your supervisor/manager should be notified immediately when an emergency occurs. Emergencies include all accidents, medical situations, bomb threats, other threats of violence, and the smell of smoke. If your supervisor/manager are unavailable, contact the nearest company official.

Should an emergency result in the need to communicate information to employees outside of business hours, your supervisor/manager will contact you. Therefore, it is important that employees keep their personal emergency contact information up to date. Notify your supervisor/manager when this information changes.

When events warrant an evacuation of the building, you should follow the instructions of your supervisor/manager or any other member of management. You should follow the emergency evacuation plan and leave the building in a quick and orderly manner. You should assemble at the Guard House location as communicated to you by your supervisor/manager to await further instructions or information.

Please direct any questions you may have about the company's emergency procedures to your supervisor/manager.

Substance Abuse

Akron Auto Auction is a drug-free workplace. *See Appendix B for complete details on AAA's drug policy.*

Appendix A

Federal Family and Medical Leave Act

The Family and Medical Leave Act ("FMLA") provides eligible employees the opportunity to take unpaid job-protected leave for certain specific reasons. The maximum amount of leave an employee may use is either 12 or 26 weeks within a 12-month period depending on the reasons for the leave.

Employee Eligibility

To be eligible for FMLA leave, you must:

1. have worked at least 12 months for the company in the preceding seven years (limited exception applies to the seven-year requirement).
2. have worked at least 1,250 hours for the company over the preceding 12 months; and
3. currently work at a location where there are at least 50 employees within 75 miles.

All periods of absence from work due to or necessitated by service in the uniformed services are counted in determining FMLA eligibility.

Conditions Triggering Leave

FMLA leave may be taken for the following reasons:

1. birth of a child, or to care for a newly born child (up to 12 weeks).
2. placement of a child with the employee for adoption or foster care (up to 12 weeks).
3. to care for an immediate family member (employee's spouse, child, or parent) with a serious health condition (up to 12 weeks).
4. because of the employee's serious health condition that makes the employee unable to perform the employee's job (up to 12 weeks).
5. to care for a Covered Servicemember with a serious injury or illness related to certain types of military service (up to 26 weeks) (see Military-Related FMLA Leave for more details); or
6. to handle certain qualifying exigencies arising out of the fact that the employee's spouse, son, daughter, or parent is on covered active duty or call to covered active-duty status in the Uniformed Services (up to 12 weeks) (see Military-Related FMLA Leave for more details).

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

Definitions

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

Identifying the 12 Month Period

The 12-month period in which 12 weeks of leave may be taken is the calendar year. For leave to care for a covered servicemember, the company calculates the 12-month period beginning on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ends 12 months after that date. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within 12 months of the birth or placement.

Using Leave

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

Use of Accrued Paid Leave

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

Maintenance of Health Benefits

If you and/or your family participate in our group health plan, the company will maintain coverage during your FMLA leave on the same terms as if you had continued to work. If applicable, you must make arrangements to pay your share of health plan premiums while on leave. In some instances, the company may recover premiums it paid to maintain health coverage or other benefits for you and your family. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of your leave.

Notice and Medical Certification

When seeking FMLA leave, you are required to provide:

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

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

2. medical certification supporting the need for leave due to a serious health condition affecting you or an immediate family member within 15 calendar days of the company request to provide the certification (additional time may be permitted in some circumstances). If you fail to do so, we may delay the commencement of your leave, withdraw any designation of FMLA leave or deny the leave, in which case your leave of absence would be treated in accordance with our standard leave of absence and attendance policies, subjecting you to discipline up to and including termination. Second or third medical opinions and periodic re-certifications may also be required.

3. periodic reports as deemed appropriate during the leave regarding your status and intent to return to work; and
4. medical certification of fitness for duty before returning to work, if the leave was due to your serious health condition. The company will require this certification to address whether you can perform the essential functions of your position.

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

Employer Responsibilities

To the extent required by law, the company will inform employees whether they are eligible under the FMLA. Should an employee be eligible for FMLA leave, the company will provide him or her with a notice that specifies any additional information required as well as the employee's rights and responsibilities. If employees are not eligible, the company will provide a reason for the ineligibility. The company will also inform employees if leave will be designated as FMLA-protected and, to the extent possible, note 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.

Job Restoration

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

Failure to Return After FMLA Leave

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

Extended Medical Leave

Eligible employees may apply for extended medical leave if he/she has exhausted all other available leave to which they are entitled, and it is determined such leave is appropriate and medically confirmed that they will be able to return to duty, with or without a reasonable accommodation, by an acceptable date in the reasonably foreseeable future. The application and supporting documentation must be timely received by the company. Failure to cooperate or timely submit requested information will result in ineligibility for consideration or cancellation of leave if previously granted.

Employees who take such extended medical leave are not guaranteed to be returned to work or reinstated to a particular job, rate of pay, or shift at the end of his/her extended medical leave. However, the company will attempt to return an employee to his/her regular position if it is available. If it is not available at the time reinstatement is sought, the company will attempt to place the employee in a similar job for which

he/she is qualified, if such a job is available. Employees on extended medical leave may maintain his/her insurance benefits, subject to policy terms and conditions, by paying the applicable COBRA premiums in a timely manner. Employees on extended medical leave do not accrue any additional employee benefits such as paid time off while on extended medical leave.

Other Employment

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

Fraud

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

Employer's Compliance with FMLA and Employee's Enforcement Rights

The FMLA makes it unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided under FMLA, or 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.

While the company encourages employees to bring any concerns or complaints about compliance with FMLA to the attention of your supervisor/manager, FMLA regulations require employers to advise employees that they may file a complaint with the U.S. Department of Labor or bring a private lawsuit against an employer.

Further, 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.

Military-Related Federal FMLA Leave

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

Definitions

A "covered servicemember" is either: (1) a current servicemember of the Armed Forces, including a member of the National Guard or Reserves, with a serious injury or illness incurred in the line of duty for which the servicemember is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list; or (2) a "covered veteran" who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

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

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

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

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

Military Caregiver Leave

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

To be “eligible” for Military Caregiver Leave, the employee must be a spouse, son, daughter, parent, or next of kin of the covered servicemember. “Next of kin” means the nearest blood relative of the servicemember, other than the servicemember’s spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the servicemember by court decree or statutory provisions; brothers and sisters; grandparents; aunts and uncles; and first cousins; unless the servicemember has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of Military Caregiver Leave. The employee must also meet all other eligibility standards as set forth within the FMLA Leave policy.

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

Military Caregiver Leave applies on a per-injury basis for each service member. Consequently, an eligible employee may take separate periods of caregiver leave for each and every covered service member, and/or for each and every serious injury or illness of the same covered service member. A total of no more than 26 workweeks of Military Caregiver Leave, however, may be taken within any “single 12-month period.”

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

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

Qualifying Exigency Leave

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

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

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

Qualifying Exigency Leave is available under the following circumstances:

1. **Short-notice deployment.** To address any issue that arises out of short notice (within seven days or less) of an impending call or order to active duty.
2. **Military events and related activities.** To attend any official military ceremony, program, or event related to active duty or call to covered active-duty status or to attend certain family support or assistance programs and informational briefings.

3. **Childcare and school activities.** To arrange for alternative childcare; to provide childcare on an urgent, immediate need basis; to enroll in or transfer to a new school or daycare facility; or to attend meetings with staff at a school or daycare facility.
4. **Financial and legal arrangements.** To make or update various financial or legal arrangements; or to act as the covered military member's representative before a federal, state, or local agency in connection with service benefits.
5. **Counseling.** To attend counseling (by someone other than a health care provider) for the employee, for the military member, or for a child or dependent, when necessary, as a result of duty under a call or order to covered active duty.
6. **Temporary rest and recuperation.** To spend time with a military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible employees may take up to 15 days of leave for each instance of rest and recuperation.
7. **Post-deployment activities.** To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of up to 90 days following termination of the military member's active-duty status. This also encompasses leave to address issues that arise from the death of a military member while on active-duty status.
8. **Parental care.** To care for the military member's parent who is incapable of self-care. The parent must be the military member's biological, adoptive, step, or foster father or mother, or any other individual who stood in loco parentis to the military member when the member was under 18 years of age.
9. **Mutually agreed leave.** Other events that arise from the military member's duty under a call or order to active duty, provided that the company and the employee agree that such leave shall qualify as an exigency and agree to both the timing and duration of such leave.

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

Limited Nature of This Policy

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

Appendix B

Drug-Free Workplace Policy

Purpose

In compliance with the Drug-Free Workplace Act, AAA has a longstanding commitment to provide a safe, quality-oriented and productive work environment consistent with the standards of the community in which the company operates. Alcohol and drug abuse pose a threat to the health and safety of AAA's employees and to the security of the company's equipment and facilities. For these reasons, AAA is committed to the elimination of drug and alcohol use and abuse in the workplace. Despite Ohio's new law, medical marijuana is still prohibited in the workplace.

Scope

This policy outlines the practice and procedure designed to correct instances of identified alcohol and drug use in the workplace. This policy applies to all employees and all applicants for employment at AAA. The Human Resources Department ("HR") is responsible for policy administration.

Substance Abuse Awareness

Illegal drug use and alcohol misuse have many serious adverse health and safety consequences. Information about those consequences and sources of help for drug or alcohol problems is available from the HR department, which has been trained to make referrals and to assist employees with drug or alcohol problems.

Employee Assistance

To the extent that AAA can accommodate as required under law, AAA will assist and support employees who voluntarily seek help for such problems before becoming subject to discipline or termination under this or other AAA policies. Such employees will be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers and otherwise accommodated as required by law. Such employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety-sensitive or require driving, or if they have violated this policy previously. If employees do not seek assistance from AAA prior to the drug test being scheduled, unless otherwise required by the Family and Medical Leave Act or the Americans with Disabilities Act, the employee will have forfeited the opportunity to be granted a leave of absence for treatment, and possible discipline, up to and including discharge, will be unavoidable.

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees must, however, consult with their doctors about the medications' effect on their fitness for duty and ability to work safely, and they must promptly disclose any work restrictions to their supervisor. Employees should not, however, disclose to AAA underlying medical conditions unless directed to do so.

Work Rules

1. Whenever employees are working, are operating any AAA vehicle, are present on AAA premises or are conducting company-related work offsite, they are prohibited from:
 - a. Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of drug paraphernalia).
 - b. Being under the influence of alcohol or an illegal drug as defined in this policy.
 - c. Possessing or consuming alcohol.
2. The presence of any detectable amount of any illegal drug or illegally controlled substance in an employee's body system, while performing company business or while in a company facility, is prohibited.
3. AAA will also not allow employees to perform their duties while taking prescribed drugs that are adversely affecting their ability to safely and effectively perform their job duties. Employees taking a prescribed medication must carry it in the container labeled by a licensed pharmacist or be prepared to produce it if asked.
4. Any illegal drugs or drug paraphernalia will be turned over to an appropriate law enforcement agency and may result in criminal prosecution.

Required Testing

Pre-employment

All applicants must pass a drug test before beginning work or receiving an offer of employment. Refusal to submit to testing will result in disqualification of further employment consideration.

Reasonable suspicion

Employees are subject to testing based on, *but not limited to*, observations by the supervision of apparent workplace use, possession or impairment. HR, the Director of Operations or other Management should be consulted before sending an employee for testing. All levels of supervision making this decision must use the Observation Checklist to document specific observations and behaviors that create a reasonable suspicion that the person is under the influence of illegal drugs or alcohol. If the results of the Observation Checklist indicate further action is justified, the manager or supervisor should confront the employee with the documentation and with another member of management. *Under no circumstances will the employee be allowed to drive him or herself to the testing facility. A member of supervision/management must escort the employee; the supervisor/manager will make arrangements for the employee to be transported home.*

Post-accident

Employees are subject to testing when they cause or contribute to accidents that seriously damage AAA's vehicles, machinery, equipment or property or result in a serious injury to themselves, another employee or third party requiring offsite medical attention. Probable belief will be presumed to arise in any such serious instance involving a work-related accident or injury in which an employee who was operating a motorized vehicle is found to be responsible for causing the accident resulting in offsite medical attention. In any of these instances, the investigation and subsequent testing must take place within two hours following the serious accident, if not sooner. *Under no circumstances will the employee be allowed to drive him or herself to the testing facility.*

Follow-up

Employees who have tested positive, or otherwise violated this policy, are subject to discipline, up to and including discharge. Depending on the circumstances and the employee's work history/record, AAA may offer an employee who violates this policy or tests positive the opportunity to return to work on a "Last Chance" basis pursuant to mutually agreeable terms, which could include follow-up drug testing at times and frequencies determined by AAA for a minimum of one year but not more than two years as well as a waiver of the right to contest any termination resulting from a subsequent positive test. Such a Last Chance Agreement is solely in the discretion of AAA and will depend on each individual employee's work history/record. If the employee either does not complete the rehabilitation program or tests positive after completing the rehabilitation program, the employee will be subject to immediate discharge from employment.

Collection and Testing Procedures

Employees subject to alcohol testing should be driven to an AAA-designated facility and directed to provide breath specimens. Breath specimens should be tested by trained technicians using federally approved breath alcohol testing devices capable of producing printed results that identify the employee. If an employee's breath alcohol concentration is .04 or more, a second breath specimen should be tested approximately 20 minutes later. The results of the second test should be determinative. Alcohol tests may, however, be a breath, blood or saliva test, at the company's discretion. For purposes of this policy, test results generated by law enforcement or medical providers may be considered by the company as work rule violations.

Applicants and employees subject to drug testing should be driven to an AAA-designated medical facility and directed to provide urine specimens. Applicants and employees may provide specimens in private unless they appear to be submitting altered, adulterated or substitute specimens. Collected specimens should be sent to a federally certified laboratory and tested for evidence of marijuana, cocaine, opiates, amphetamines, phencyclidine, creatinine, benzodiazepines, methadone, barbiturates and propoxyphene use. (Where indicated, specimens may be tested for other illegal drugs.) The laboratory should screen all

specimens and confirm all positive screens. There must be a chain of custody from the time specimens are collected through testing and storage.

The laboratory should transmit all positive drug test results to a medical review officer (MRO) retained by AAA, who should offer persons with positive results a reasonable opportunity to rebut or explain the results. Individuals with positive test results may also ask the MRO to have their split specimen sent to another federally certified laboratory to be tested at the applicant's or employee's own expense. Such requests must be made within 72 hours of notice of test results. If the second facility fails to find any evidence of drug use in the split specimen, the employee or applicant will be treated as passing the test. In no event should a positive test result be communicated to AAA until such time that the MRO has confirmed the test to be positive.

Consequences

Applicants who refuse to cooperate in a drug test or who test positive will not be hired and will not be allowed to reapply/retest in the future.

Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture or dispense an illegal drug in violation of this policy will be terminated. *If the employee refuses to be tested, yet the company believes he or she is impaired, under no circumstances will the employee be allowed to drive himself or herself home.*

The first time an employee tests positive for alcohol or illegal drug use under this policy, the result will be discipline up to and including discharge.

Employees will NOT be paid for time spent on alcohol or drug testing. After the results of the test are received, a date and time will be scheduled to discuss the results of a test; this meeting will include a member of management/supervision and HR. Should the results prove to be negative, the employee will receive back pay for the times/days missed from work or for any suspension provided there were no other disciplinary grounds for said suspension.

Confidentiality

Information and records relating to positive test results, drug and alcohol dependencies, and legitimate medical explanations provided to the MRO should be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files. Such records and information may be disclosed among managers and supervisors on a need-to-know basis and may also be disclosed when relevant to a grievance, charge, claim or other legal proceeding initiated by or on behalf of an employee or applicant.

Inspections

AAA reserves the right to inspect all portions of its premises for drugs, alcohol or other contraband. All employees, contract employees and visitors may be asked to cooperate in inspections of their persons, work areas and property that might conceal a drug, alcohol or other contraband. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline, up to and including discharge.

Crimes Involving Drugs

AAA prohibits all employees, including employees performing work under government contracts, from manufacturing, distributing, dispensing, possessing or using an illegal drug in or on company premises or while conducting company business. AAA employees are also prohibited from misusing legally prescribed or over the counter (OTC) drugs. Law enforcement personnel should be notified, as appropriate, when criminal activity is suspected.

AAA does not desire to intrude into the private lives of its employees but recognizes that employees' off-the-job involvement with drugs and alcohol may have an impact on the workplace. Therefore, AAA reserves the right to take appropriate disciplinary action for drug use, sale or distribution while off company premises. All employees who are convicted of, plead guilty to or are sentenced for a crime involving an illegal drug are required to report the conviction, plea or sentence to HR within five days. Failure to comply will result in automatic discharge. Cooperation in complying may result in suspension without pay to allow management to review the nature of the charges and the employee's past record with AAA. Furthermore, AAA may take the appropriate disciplinary action if such conviction impairs and/or interferes with the employee's ability to perform his/her job duties.

Definitions

"Company premises" includes all buildings, offices, facilities, grounds, parking lots, places and vehicles owned, leased, operated, in the custody and care or managed by AAA or on any site on which the company is conducting business.

"Illegal drug" means a substance whose use or possession is controlled by federal law but that is not being used or possessed under the supervision of a licensed health care professional. (Controlled substances are listed in Schedules I-V of 21 C.F.R. Part 1308.)

"Refuse to cooperate" means to obstruct the collection or testing process; to submit an altered, adulterated or substitute sample; to fail to show up for a scheduled test; to refuse to complete the requested drug testing forms; or to fail to promptly provide specimen(s) for testing when directed to do so, without a valid medical basis for the failure. Employees who leave the scene of an accident without justifiable explanation prior to submission to drug and alcohol testing will also be considered to have refused to cooperate and will automatically be subject to discharge.

“Under the influence of alcohol” means an alcohol concentration equal to or greater than .04, or actions, appearance, speech or bodily odors that reasonably cause a supervisor to conclude that an employee is impaired because of alcohol use.

“Under the influence of drugs” means a confirmed positive test result for illegal drug use per this policy. In addition, it means the misuse of legal drugs (prescription and possibly OTC) when there is not a valid prescription from a physician for the lawful use of a drug in the course of medical treatment (containers must include the patient’s name, the name of the substance, quantity/amount to be taken and the period of authorization).

Reasonable Suspicion and Post-Accident Testing Protocol

1. The employee will be advised that AAA believes that there is reasonable suspicion to believe that he or she is affected by illegal drugs or alcohol (or due to the serious nature of the accident the policy mandates this) and that this test is being offered to confirm or deny this suspicion.
2. The employee will be transported to any one of the company’s contracted testing facilities (e.g., health services, urgent care or the emergency department). One member of management or a designated attendant will accompany the employee. *Under no circumstances will the employee be allowed to drive himself or herself to the testing facility.*
3. Prior to leaving for the testing facility, supervision/management will contact the testing facility to inform it that a staff member from AAA will be arriving and will need a drug or alcohol test completed.
4. The employee should be provided with water to drink prior to leaving the company premises.
5. The employee should be given reasonable time—not to exceed 15 minutes—to secure photo ID in the company of an AAA representative.
6. The employee to be tested must present a photo ID (i.e., a driver’s license or state ID card) to the testing facility staff before the specimen can be obtained. Ensure that the employee brings the photo ID with him or her when leaving AAA’s premises.
7. The employee to be tested must sign a consent form provided by the testing facility. Refusal to sign is addressed under the “Consequences” section of this document.
8. AAA representative must sign as a witness to the collection procedure, along with the tested employee.
9. After returning to the company or when leaving the testing facility, the supervisor/manager must make arrangements to transport the person home (unless testing results are immediate). *Under no circumstances will the tested employee be allowed to drive himself or herself home.*

Enforcement

The HR department is responsible for policy interpretation, administration and enforcement.

Receipt of Employee Handbook and Employment-At-Will Statement

This is to acknowledge that I have received a copy of the Akron Auto Auction, Inc. Employee Handbook and I understand that it contains information about the employment policies and practices of the company. I agree to read and comply with this Employee Handbook. I understand that the policies outlined in this Employee Handbook are management guidelines only, which in a developing business will require changes from time to time. I understand that the company retains the right to make decisions involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and the company. I understand that this Employee Handbook supersedes and replaces any and all prior Employee Handbooks and any inconsistent verbal or written policy statements.

I understand that except for the policy of at-will employment, the company reserves the right to revise, delete and add to the provisions of this Employee Handbook at any time without further notice. All such revisions, deletions or additions to the Employee Handbook will be in writing and will be signed by the President of the company. I understand that no oral statements or representations can change the provisions of this Employee Handbook.

I understand that this Employee Handbook is not intended to create contractual obligations with respect to any matters it covers and that the Employee Handbook does not create a contract guaranteeing that I will be employed for any specific time period.

THIS COMPANY IS AN AT-WILL EMPLOYER. THIS MEANS THAT REGARDLESS OF ANY PROVISION IN THIS EMPLOYEE HANDBOOK, THE COMPANY OR I MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. NOTHING IN THIS EMPLOYEE HANDBOOK OR IN ANY DOCUMENT OR STATEMENT, WRITTEN OR ORAL, SHALL LIMIT THE RIGHT TO TERMINATE EMPLOYMENT AT WILL. NO OFFICER, EMPLOYEE OR REPRESENTATIVE OF THE COMPANY IS AUTHORIZED TO ENTER INTO AN AGREEMENT—EXPRESS OR IMPLIED—WITH ME OR ANY EMPLOYEE FOR EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME. ANY AGREEMENT TO EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME WILL BE PUT INTO WRITING AND SIGNED BY THE PRESIDENT OF THE COMPANY.

I understand that this Employee Handbook refers to current benefit plans maintained by the company and that I must refer to the actual plan documents and summary plan descriptions as these documents are controlling.

I have read and understand the Paid Time Off Policy in this Employee Handbook.

Initials _____ Date _____

I also understand that if a written contract is inconsistent with the Employee Handbook, the written contract is controlling.

If I have questions regarding the content or interpretation of this Employee Handbook, I will ask my supervisor/manager or a member of management.

NAME _____ DATE _____

EMPLOYEE
SIGNATURE _____

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