

HOSS'S EMPLOYEE HANDBOOK

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Acknowledgement and Disclaimer for Employee Handbook

This is to acknowledge that I understand that I may access Hoss's Employee Handbook on-line on Hoss's Employee Web site, www.HossPeople.com, under the Policies/Benefits section.

The on-line Handbook is always the most current version and supersedes any other Handbooks (or policies) I may have received during my employment. I understand that this Handbook is intended to serve as a guide to Hoss's policies, procedures, and benefits, and that all policies, procedures, and benefits described in the Handbook are at all times subject to modification by the Company.

I acknowledge that nothing contained in the Handbook creates a binding contract and that my employment is at-will, which means that it is for no set period of time and may be terminated by me or the Company at any time with or without cause. Nothing shall have the effect of changing the at-will status of my employment other than a written agreement signed by me and a representative of the Company specifically changing that status.

I acknowledge that I may receive a hard copy of the Employee Handbook any time from the Human Resources Department by calling 1-800-621-0270 Ext. 3330 if I do not have computer access or if I prefer a hard copy.

If I have questions, I may contact my management team or the Human Resources Department. You may also call the Hoss's confidential employee hotline at 1-800-621-0270 Ext. 2345 or send an email to people@hosscorp.com.

Included in the on-line Handbook are:

- Working Guidelines
- Workplace Violence Policy
- Unlawful Harassment Policy
- Family Medical Leave Policy
- Ethics and Integrity Policy
- Electronics Policy
- Drug and Alcohol Testing Policy

Employee Name _____

Employee Signature _____ Date _____

Witness Name _____

Witness Signature _____ Date _____

EMPLOYEE HANDBOOK

Purpose

This manual is designed to acquaint you with Hoss's Steak and Sea House and to provide you with information about working conditions, employee benefits, and company policies affecting your employment. It describes many of your responsibilities as an employee and outlines the programs developed by Hoss's to benefit you. You should read each of this handbook's provisions carefully and direct any questions you have about Hoss's policies to your General Manager or the Human Resources Department.

It is important to realize that no policy manual can anticipate every circumstance that will occur or every situation that will develop. As Hoss's faces new and different situations, the need will arise from time to time to change the policies described in this manual, or to modify the way the policies are applied. Some of our policies are affected by federal and state law, which is also subject to change. For these reasons, Hoss's reserves the right to revise, supplement, or rescind any portion of this manual as management deems appropriate, at its sole and absolute discretion. We will attempt to provide advance notice of any such changes, however, this is not always feasible. Therefore, Hoss's retains the right to make changes to the manual without prior notice to employees. The most up-to-date copy of this handbook is available on Hoss's employee website, www.hosspeople.com.

Nature of Employment

Employment with Hoss's Steak and Sea House is voluntarily entered into by both the employee and Hoss's, and we hope that our relationship with our employees will be mutually satisfying and beneficial. However, we recognize that an employee may resign his/her employment at any time and for any reason. You as an employee should also understand that Hoss's has a corresponding right to terminate your employment at any time, with or without cause.

While it is certainly not our intent or our practice to terminate employees arbitrarily, it is important that you understand that employees have no guarantee regarding the duration of their employment. Likewise, there is no limitation on the grounds for which employees can be terminated, except as prohibited by law.

Equal Employment Opportunity

Hoss's supports and is committed to equal employment opportunity for all people. Hoss's does not discriminate against applicants or employees on the basis of race, color, age, religion, ancestry, national origin, sex, or disability. By adoption of this policy, Hoss's Steak and Sea House, Inc., assures compliance with all state and federal laws, and reaffirms its continued commitment to Equal Employment Opportunity.

WORKING GUIDELINES

90-Day Trial Period

1. A new employee must read and sign all appropriate documents relevant to the position prior to starting work.
2. New employees will serve a 90-day trial period commencing on the first day of work.
3. New employees will be evaluated a minimum of one time in writing within the 90-day period.
4. A new employee can be dismissed during their trial period or any time thereafter, if judged to be incapable of meeting Hoss's standards.

Definition of Status

All employees of Hoss's Steak and Sea House are foodservice employees and may be required to work a variety of duties based on business needs.

Full-Time Employees: The General Manager designates full-time employees. Designation is based on factors including performance, availability, and business necessity. Designated full-time employees work an average of 36 hours or more per week in a 12-month period.

Part-Time Employees: Employees who work an average of less than 36 hours are part-time employees.

Scheduling

1. As an employee of Hoss's, you may be required to work a variety of days and hours from week to week. It is necessary to have the majority of employees work during the weekend when business is at its peak. All employees may be required to work on certain special days such as Mother's Day and Father's Day.
2. Each employee must complete an availability form when hired and whenever availability changes. Availability forms must be submitted two weeks prior to their effective date.
3. The schedule is written from Monday to Sunday on a weekly basis. It will be posted by Wednesday at 3:00 p.m. of the prior week. Management reserves the right to schedule employees based on business needs.
4. Requests for specific days off that vary from your normal availability must be submitted in writing at least two weeks in advance. All schedule requests are subject to management approval.

5. If you need a day off after the schedule is written, you will be required to find your own replacement whose skills are comparable to your own. These schedule changes must be reported to and approved by a manager.
6. Special rules regarding working hours apply to minor employees. Refer to the Minor Employee section of this handbook.

Reporting to Work

1. Employees must enter through the front door during business hours. If you arrive at work before business hours, enter through the back doors.
2. If employees would like to eat before their scheduled shift begins, they are permitted in the restaurant in uniform 1 hour before or after their shift.
3. You must be at your work area at your scheduled time. To facilitate this, you may punch in 5 minutes before your assigned starting time. The manager on duty must authorize a starting time that is earlier than this.
4. You are considered tardy for work if you fail to clock in on or within 5 minutes before your scheduled start time. If you determine that you will be late, you must call the manager on duty to report your delay.
5. All employees who are paid by the hour must punch in and out on the time clock. No hourly employee is permitted to work if he/she is not punched in on the time clock. It is the employee's responsibility to punch in and out in order to maintain accurate records.
6. All employees who are paid by the hour are given a PIN number upon hire for entering their time on the time clock. Employees are not permitted to use another employee's pin number for any reason.

Parking

1. A specific area of the parking lot has been provided for your car.
2. Employees are not permitted to park in spaces that are reserved for Hoss's guests.
3. Hoss's assumes no responsibility for any automobile or its contents parked on its lot.

Reporting Off Work

The staffing of our restaurant is critical and time consuming. Each person who is placed on the schedule is needed in order to make the shift for that day run smoothly. When a scheduled member of the staff is absent, it causes disruption to the workday for the manager and the staff. If you are unable to report for a scheduled shift, your supervisor must be notified. Failing to report as outlined, may result in disciplinary action.

1. Reporting off work must only be done for necessary and legitimate reasons.
2. If you are going to report off work, you must speak to the manager on duty. An employee is not authorized to accept call-offs.
3. If possible, report off work at least 4 hours before the scheduled starting time or the night before for opening shifts.
4. When an employee who is a volunteer firefighter is called to a fire emergency prior to his or her shift, this is considered an emergency situation and will be excused.
5. A manager may request a doctor's excuse on emergency medical call offs. The doctor's excuse must include dates of appointment and duration that employee is unable to work or restricted from work.
6. Excessive absenteeism or failure to report to work may result in disciplinary action up to and including termination.
7. Hoss's will consider you to have voluntarily abandoned your job if you do not report to work and fail to contact your manager for three consecutive days.

Health Awareness Food Employee Reporting Agreement

The purpose of this agreement is to ensure that Food Employees notify the Manager when they experience any of the conditions listed so the Manager can take appropriate steps to prevent the transmission of food borne illness.

Employee agrees to report to the Manager:

1. Future Symptoms and Lesions including:
 - Diarrhea
 - Fever
 - Vomiting
 - Jaundice
 - Sore throat with fever
 - Lesion containing pus on the hand, wrist, or an exposed body part (such as boils and infected wounds, however small)

2. Future Medical Diagnosis:

Whenever diagnosed as being ill with Typhoid fever (*Salmonella typhi*), Shigellosis (*Shigella* spp.), Shiga toxin-producing *Escherichia coli* infection (*Escherichia coli* 0157:H7), or Hepatitis A (Hepatitis A virus).

3. Future High-Risk Conditions:

- Exposure to or suspicion of causing any confirmed outbreak of Typhoid fever, Shigellosis, Shiga toxin-producing *Escherichia coli* infection, or Hepatitis A
- A household member diagnosed with Typhoid fever, Shigellosis, illness due to Shiga toxin-producing *Escherichia coli* infection, or Hepatitis A
- A household member attending or working in a setting experiencing a confirmed outbreak of Typhoid fever, Shigellosis, Shiga toxin-producing *Escherichia coli* infection, or Hepatitis A

Employees have read (or had explained to them) and understand the requirements concerning responsibilities under the FOOD CODE and this agreement to comply with:

Reporting requirements specified above involving symptoms, diagnoses, and high-risk conditions specified; work restrictions or exclusions that are imposed upon employees; and good hygienic practices.

Failure to comply with the terms of this agreement could lead to action by Hoss's or the food regulatory authority that may jeopardize employment and may involve legal action against the employee.

Leaving Work

1. Employees will exit through the front doors during business hours.
2. After the close of business, follow evening security procedures that are established by your location.

Break Periods

1. Unpaid break periods must be a minimum of 30 minutes in length (.50 in military time).
2. Managers assign all break periods.
3. Breaks are to be taken in a pre-assigned area away from guests.
4. Employees are responsible for keeping the break area clean.

5. Employees are only permitted to leave the store during their break if they are off the clock on an unpaid break and inform the shift manager when they are leaving and when they will return.
6. Special rules regarding break periods apply to minor employees. Refer to the Minor Employee section of this handbook.

Tip Reporting (Servers and Bussers)

1. All servers, bussers, and expeditors are required to enter accurate daily tips into the POS when punching out. This will act as their tip report for the IRS. They are to keep this slip for their daily records.
2. Failure to report tips will result in disciplinary action. This information is necessary to compute paychecks correctly.
3. Servers, bussers, and expeditors are responsible for maintaining personal records of tips for IRS tax purposes.
4. **The law requires you to report 100 percent of the tips you receive.** Failure to report all tips may result in a tip allocation on your W-2.

Minor Employees

Certain requirements and restrictions apply to the employment of minors (ages 15, 16, or 17), including the types of duties and the number of hours they can work. Due to scheduling limitations, 14-year olds will not be hired.

1. Work Permits:
 - a. A work permit issued by the School Administrator for the minor employee must be received before any minor can begin working at Hoss's. (A copy of the original work permit is acceptable.)
 - b. In Pennsylvania, a work permit is required for all employees under 18 years of age.

NOTE: There is an exception in **Pennsylvania** for Emancipated Minors. An "emancipated minor" is a 17-year old who has graduated from high school or who has attained his/her academic potential, **as determined by the Chief School Administrator**. A written statement from the school district must be in the minor's personnel file if this exception is applied. Emancipated minors may be treated as adults, **except** the prohibited occupations restrictions still apply until the individual turns 18.

- c. In West Virginia, only employees under 16 years of age are considered minors. Therefore, a work permit is required for all employees under 16.
2. Minors are not permitted to perform “hazardous occupations.” Below is a list of the types of work prohibited.

Individuals under 18 are not permitted to:

1. go on the roof or do any roofing work
2. operate any power or electrical equipment; for example, garbage disposal, lawn mower, yogurt machine, mixer, etc.
3. drive a motor vehicle to perform Hoss’s business; for example, he or she cannot drive to the grocery store for out-of-stock items

In addition, individuals under 16 are not permitted to:

1. do any work requiring the use of a ladder
2. do any cooking or baking
3. do any maintenance or repair of machines or equipment
4. work in freezers, meat coolers, or work in the preparation of meat for sale
5. load or unload goods to or from trucks
6. work in warehouses (except office and clerical work).

3. Hours of Employment – Pennsylvania

16 and 17 Year Olds

- a. *School Weeks:* No more than 8 hours per day, 28 hours Monday-Friday, and 16 hours per weekend. No work before 6:00 a.m. or after midnight (after 1 a.m. on nights preceding non-school days).
- b. *Non-School Weeks:* (Weeks when there are NO school days in that week): No more than 8 hours per day, 44 hours per week, or 6 days per week. No work before 6:00 a.m. or after 1 a.m.

15 Year Olds

- a. *School Weeks:* No work on school days. No more than 7 hours per non-school day. No work before 7:30 a.m. or after 6:30 p.m.
- b. *Non-School Weeks* (Weeks when there are NO school days in that week): No more than 7 hours per day or 5 days per week. No work before 7:30 a.m. or after 8:30 p.m.

4. Hours of Employment – West Virginia

16 and 17 Year Olds – No restrictions.

15 Year Olds

- a. *School Weeks*: No work on school days. No more than 7 hours per non-school day. No work before 7:30 a.m. or after 6:30 p.m.
- b. *Non-School Weeks* (June 1 – Labor Day): No more than 7 hours per day. No work before 7:30 a.m. or after 8:30 p.m.

5. Mandatory Breaks

- a. Pennsylvania: Minors (under 18 years old) must take a 30-minute break on or before completing 5 hours of continuous work.
- b. West Virginia: Minors (under 16 years old) must take a 30-minute break on or before completing 5 hours of continuous work.

Pay Periods

1. The payroll follows a two-week cycle commencing on Monday morning and ending the following Sunday night.
2. Hoss's has a ten-day processing time between the day payroll ends and the actual date paychecks are issued. Hoss's does not hold an employee's first paycheck. The following is an example of how a pay cycle works.

Pay Period Starts	-	January 6
Pay Period Ends	-	January 19
Checks Received	-	January 29

Overtime

Overtime is paid to hourly employees for any hours worked in excess of 40 in one pay week at 1 ½ times the regular rate. Holiday hours or vacation hours are not included in the overtime calculation.

Paychecks

1. Restaurant employees may pick up their paychecks at the restaurant in which they work on payday (Wednesdays) between 2:00 p.m. and 4:00 p.m. and thereafter during non-peak business periods.
2. All employees must sign a roster sheet upon receipt of their check to verify that the check has been received.

3. Paychecks may only be picked up by the employee unless prior notification is given.
4. For your convenience, Hoss's offers a direct deposit plan. Direct deposit allows employees to have their paycheck deposited into a checking, savings, or credit union of their choice automatically on payday. The direct deposit money is available at your bank on the morning of each payday for your use. Check stubs will still be printed for your records. For information, consult your manager or the Payroll Manager at the Corporate Office.
5. If a paycheck is lost or stolen after the employee receives it, the employee is responsible for any check cancellation and reissue fees. Contact your manager or the Payroll Manager at the Corporate Office immediately.
6. If a paycheck is in error for any reason, notify your manager or the Payroll Manager at the Corporate Office before cashing the check. Errors will be corrected on the next paycheck.
7. By law, Hoss's is required to honor legal garnishments of employees' wages. These include child support, PHEAA student loan repayment, and income tax garnishments.
8. Hoss's is required to withhold the local established wage tax, when applicable, through payroll deduction for the school district in which the restaurant is located. If you live in a different school district, you may be responsible for paying all or a portion of your local taxes because no payroll tax may have been withheld from your check. Tax rates may vary by school district.
9. Each employee is responsible for any personal status changes that affect paychecks. Correct personal information will ensure that your files are up-to-date. Report any change in your name, address, telephone number, direct deposit number, etc., to your manager immediately. To update tax filing status, complete a new W-4 form.
10. Upon termination or resignation, final paychecks will be issued during the next regular pay cycle, unless state laws dictate otherwise.
11. Retain copies of your check stubs for your records. These cannot be duplicated.

Hourly Crew Compensation Policy

1. Wage Grades
 - a. All employees will be compensated based on wage grade guidelines. No employee's compensation will exceed wage grade guidelines under any circumstance.
 - b. Employees may be hired at a rate ranging from the bottom of the grade to the midpoint based on General Manager's discretion and employee's experience.
 - c. An employee whose rate reaches the top of the grade will remain at that wage level until the grades are adjusted or the employee moves to another job classification.
 - d. The Compensation Committee will review wage grades on a yearly basis.

2. Wage Increases and Evaluations
 - a. After hire, employees will be evaluated after 90 days of employment, then semi-annually thereafter.
 - b. After midpoint of wage grade is reached, evaluations are only required to be given annually but may still be given additional times throughout the year to document performance.
 - c. Rate increases will only be given during the January through June evaluation cycle. This increase will be based on the percentage guidelines approved by the Compensation Committee.
 - d. Additional increases, other than job classification changes, may be granted with the Compensation Committee's written approval. These must be justified by business necessity only.

Job Classifications

- a. Hourly Restaurant Job Classifications:
 - Silverware Wrapper
 - Food Service (includes Sanitation Associate, Presentation Associate, Hospitality Specialist, Buss Person, and Service Professional)
 - Preparation Specialist
 - Entrée Specialist L-1
 - Entrée Specialist L-2/3
 - Supervisor / Part-time Manager
 - Utility

- b. The "Utility Person" job classification
This job classification is applied to individuals who are cross-trained in three or more areas of the restaurant, and are currently a Certified Department Trainer (CDT). The employee must also be able to help out whenever and wherever needed.

Resignation

Voluntary resignations should be preceded by at least two working week's notice. A resignation must be in writing with reasons for leaving. Failure to give adequate notice will impact future considerations for rehire.

Your immediate supervisor reserves the right to waive the two-week notice, grant immediate resignation and acknowledge that adequate notice was given. Vacation time may not be used as part of the two-week notice.

Hoss's Steak and Sea House may rehire past employees based on previous performance and work history. Rehired employees will be considered new employees with respect to seniority and benefits eligibility.

Dress and Professional Appearance

1. Employees must wear the attire as defined by work area.

Front of House (Hostess, Server, Cashier, Silverware Wrapper, Bus Person)	Back of House (Cook, Dish Person)	Salad Bar and Prep
<ul style="list-style-type: none"> ▪ Long or short-sleeved, solid polo or oxford shirt, any color except white or black (logos are permitted as long as they are covered by employee name tag) ▪ Although not mandatory, we recommend a 60/40 blend. ▪ You may purchase your shirt anywhere according to the above requirements. ▪ Must not be faded out, wrong style, wrong color, wrinkled, stained, tight fitting, untucked or loosely tucked, or 5-button shirts 	<ul style="list-style-type: none"> ▪ Hoss logo t-shirt tucked into pants 	<ul style="list-style-type: none"> ▪ Hoss Navy polo shirt or Hoss Navy t-shirt tucked into pants.
<ul style="list-style-type: none"> ▪ Black dress slacks ▪ Belt must be worn if there are belt loops – Belt must match shoes ▪ Socks should match slacks ▪ No tight fitting or stretch pants. ▪ No split seams or slacks that are too long and drag on the floor ▪ --OR-- black skirts ▪ Belt must be worn if there are belt loops – Belt must match shoes ▪ Must be no shorter than 1 inch above the knee and must not be tight fitting ▪ Suntan pantyhose must be worn 	<ul style="list-style-type: none"> ▪ Blue jeans or heavy-duty, solid color, casual-style pants ▪ Belt 	<ul style="list-style-type: none"> ▪ Black dress slacks or skirt ▪ Classic cut leg ▪ Color must not be faded ▪ Comfortable fit ▪ No jeans, sweats, or stretch pants ▪ Belt (if applicable) ▪ Black socks or suntan nylons ▪ Proper undergarments must be worn at all times
<ul style="list-style-type: none"> ▪ Apron 	<ul style="list-style-type: none"> ▪ Apron 	<ul style="list-style-type: none"> ▪ Black apron

<ul style="list-style-type: none"> ▪ All black, non-skid approved safety shoes 	<ul style="list-style-type: none"> ▪ Hoss-issued hat as per three-level pin program ▪ Hair restrained as per crew dress code policy ▪ Clean shaven ▪ No earrings may be worn while on duty ▪ We reserve the right to require you to cover any visible tattoo 	<ul style="list-style-type: none"> ▪ Hoss hat or hair net or visors (Hair must be restrained; ponytails restrained twice, if necessary; all hair must be pulled away from face, if it below your earlobe.) ▪ Facial hair must be freshly-shaven. Beards and mustaches must be neat and trimmed.
<ul style="list-style-type: none"> ▪ Name tag 	<ul style="list-style-type: none"> ▪ Approved non-skid safety shoes 	<ul style="list-style-type: none"> ▪ All black, non-skid approved safety shoes
	<ul style="list-style-type: none"> ▪ Name tag (on hat) 	<ul style="list-style-type: none"> ▪ Name tag
		<ul style="list-style-type: none"> ▪ No false fingernails, no nail polish, and makeup to be used sparingly

Female Managers	Male Managers	Female and Male Managers
<ul style="list-style-type: none"> ▪ Dresses, skirts, or business dress shorts of appropriate length (one inch above knee); Use discretion in wearing clothing that is a respectable business length according to your height. ▪ Dress slacks must be ankle length or longer (not rolled up). Stirrup pants, stretch pants, jeans-style (for example, exterior rivets and pockets), or sweatshirt material pants are unacceptable. ▪ Stockings or pantyhose must be neutral in color or match the color of the outfit worn. ▪ Blouses and shirts with short or long sleeves are required. Sleeveless tops or tank-top blouses are not permitted. ▪ Jackets and sweaters are acceptable. ▪ Safety shoes 	<ul style="list-style-type: none"> ▪ Dress slacks with a belt are required. Dockers and dress corduroys are acceptable. Jeans-style pants (for example, exterior rivets and pockets) are unacceptable. ▪ Dress shirts with short or long-sleeves are required. ▪ A tie is optional by store location. The General Manager of each location will make this decision. If a tie is worn, the top button must be buttoned. If a tie is not worn, only the top button of the shirt may be unbuttoned. ▪ Sport jackets and sweaters are acceptable. ▪ Socks are required ▪ Safety Shoes 	<ul style="list-style-type: none"> ▪ Hoss's Steak and Sea House encourages shirts, sweaters, or jackets that bear the Hoss logo. Hoss's will provide specs for a local vendor to perform the embroidery work. Hoss's will assume the embroidering cost if a manager chooses that option. ▪ Embroidered Hoss-logo denim button shirts are acceptable. ▪ Collared polo-style shirts are acceptable. They may have a Hoss's logo or brand insignia; i.e. Polo. However, they may not have insignias from local country clubs, civic groups, teams, etc. ▪ Each location also has the choice to incorporate an approved uniform program for the management team that is administered through a third party. ▪ The manager dress code is at the expense of each individual manager.

2. All employees must be in appropriate dress at the time they clock in and at all times while on duty. Employees must report to and from work in full work attire.
3. Work attire must be laundered and presentable.
4. Hoss's strives to maintain our "Family" restaurant image.
 - a. Employees must remove all visible pierced jewelry while at work. Exception: Females are permitted to wear two small earrings in each ear if working in a non-food production area.
 - b. Hoss's reserves the right to require covering of any visible tattoo while working.
5. Employees must maintain a high standard of personal hygiene and grooming when reporting to work.
6. Hair must be restrained in food production areas and the dish room. Ponytails should be restrained twice, if necessary. All hair must be pulled away from face if it is below the earlobe. Hair must be restrained even if wearing a hat. Front of House Male Crew Members must have hair cut to a length above the shirt collar. Ponytails are not acceptable. Front of House Female Crew Members must have hair pulled away from face if it is below the earlobe. Ponytails should be restrained twice, if necessary.
7. Nail polish and artificial fingernails are not permitted in any food production area of the restaurant. Employees working in non-food production areas may wear clear polish and acrylic nails.
8. Employees must wear approved safety shoes at all times while on duty. Shoes should follow the style guidelines for the work area.
9. Name tags must be worn at all times when in uniform. If wearing a hat, it should be placed on the hat. All other nametags should be displayed on the left-hand side of the shirt.

Safety Shoe Program

In an effort to better protect our employees and create a safer working environment for everyone, Hoss's Steak and Sea House has instituted a company-wide slip-resistant safety shoe policy. We have made every effort to design this policy to be flexible with the ability to meet our employees' needs both on and off the job.

1. Requirements

a. All employees working in a Hoss restaurant will be required to wear slip-resistant safety shoes. These shoes may be purchased at the following approved suppliers:

- Shoes for Crews available through mail order
- Tred Safe brand available at most Wal Mart locations
- TX Traction available at Famous Footwear locations or by mail order
- Skechers available at most shoe stores or via the internet.
- Safe-T-Step available at Payless Shoe Stores
- Red Wing styles with the Grip-Tech Sole available at most Red Wing dealers
- Keuka Café Footwear available via the internet.

b. The list of suppliers was chosen based on tests in our restaurants. Each has proven to be effective in helping prevent slip and fall accidents. The shoes on the approved list also meet specific testing standards that we require to show each shoe's slip-resistance on wet and dry surfaces. We have provided style choices that are suitable for both on and off the job.

2. Employees who do not wish to purchase a pair of slip-resistant shoes from an approved supplier may wear a pair of Crew Guards (overshoes) which are available at all locations. These overshoes can be worn during the employee's shift, however they must be returned at the end of the shift. New employees will be required to wear the overshoes until they choose to purchase an approved pair of shoes.

3. All employees must be wearing slip-resistant shoes or overshoes at all times when working. Failure to wear slip-resistant shoes or overshoes will disqualify an employee from working.

4. Style requirements:

All shoes must be black or brown

- Back-of-house: Athletic-style and boot-style
- Salad Bar: Athletic-style or dress-style
- Front-of-house: Low-top athletic-style or dress-style

Shoes must meet these style requirements even if you are wearing an overshoe.

5. Special Requirements

Management will make a good faith effort to accommodate employees who must wear special footwear due to medical reasons. Employees that medically are required to wear shoes from a not approved vendor will be required to purchase and wear a pair of Crew Guards (overshoes), from Shoes for Crews.

6. Failure to Comply

- a. Employees who are not wearing approved safety shoes will not be permitted to work until they obtain the proper footwear. Willful refusal to comply with this policy could result in disciplinary action up to and including termination.
- b. Any employee experiencing a slip and fall accident who was not wearing approved slip-resistant shoes will be subject to disciplinary action.

7. Safety Shoe Tips

- a. Waterproof your safety work boots and shoes by purchasing a waterproofing cream or spray at a local shoe store or leather shop.
- b. For employees who work in wet areas who are purchasing the less-expensive safety shoes, we suggest buying two pairs and wearing them every other workday to allow each pair to dry thoroughly.
- c. If you are having difficulty with the support or comfort your safety shoes are providing, you can purchase special insoles or arch supports at a local shoe store.

Tobacco Use

Smoking is only permitted in areas outside of the restaurant. Since restaurant designs vary, each General Manager will approve designated smoking areas. This rule also applies to the use of any form of smokeless tobacco.

Telephone Use

1. The use of Hoss's telephone for personal calls without management's approval is not permitted.
2. Use of personal cell phones is not permitted while employees are on the clock.

Employee Information Center

The documents listed below are posted in the Employee Information Center. These documents are clearly visible for all employees to read. If you need clarification concerning any of these matters, contact Hoss's Human Resources Department.

Pennsylvania	West Virginia
<i>FLSA (Min. Wage)</i>	<i>FLSA (Min. Wage)</i>
<i>FMLA</i>	<i>FMLA</i>
<i>EPPA (Polygraph Protection)</i>	<i>EPPA (Polygraph Protection)</i>
<i>EEO</i>	<i>EEO</i>
<i>OSHA</i>	<i>OSHA</i>
Abstract of PA Child Labor Law	Pay Day Notice
Hours of Work for Minors	WV Wage Payment Collection Act
Minimum Wage Law Poster and Fact Sheet	WV Minimum Wage and Maximum Hours Law
Abstract of Equal Pay Law	Unemployment Insurance
PA Right to Know Law	Worker's Compensation
Unemployment Compensation Claims Fact Sheet	WV Human Rights Act
Worker's Compensation Insurance Posting *	USERRA (Uniformed Services Employment and Re-employment Rights Act)
PA Human Relations Act	Military Family Leave
Public Accommodations Provisions	
USERRA (Uniformed Services Employment and Re-employment Rights Act)	
Military Family Leave	

Use of Personal Vehicle

When your personal vehicle must be used for company business you must:

1. Keep a record of your mileage.
2. Keep receipts for fuel, tolls, etc.
3. Complete and turn in an expense report each month to your supervisor for reimbursement.

Dating Policy

1. Hoss's employees must maintain high standards of professionalism and ethics in their personal relationships with other Hoss's employees and/or managers in the workplace.
2. We ask that you carefully consider the consequences of dating a fellow employee, since it often results in unrest and turmoil in the workplace. This is particularly true with personal relationships involving a supervisor and a subordinate.
3. Therefore, in keeping with our commitment to operate our workplace with high employee morale, management requires that a supervisor notify Human Resources if a personal relationship develops between the supervisor and an employee under his/her direction and control. Failure to do so will result in disciplinary action up to and including possible discharge. Recognizing that personal relationships between a supervisor and a subordinate have a high likelihood of negatively impacting business operations or individual performance, either the supervisor or the subordinate, depending upon individual circumstances, will be required to transfer to another store, if the subordinate cannot be scheduled in a manner that removes him/her from the superior's direction and control.
4. General Managers are specifically prohibited from having personal romantic relationships with employees at their store. If General Manager fails to notify management about a potential or impending personal relation with a subordinate, he/she will be subject to disciplinary action up to and including possible discharge.
5. With personal relationships between co-workers, not involving a supervisor/subordinate, management reserves the right to take necessary measures when personal relationships negatively impact business operations or individual performance.

Safety

Your Safety at Hoss's is very important. We strive to create a safe and healthy workplace free of hazards, but safety starts with you. We ask you to think of safety first before acting or reacting.

You are required to comply with all aspects of Hoss's Safety Program. You are required to participate in safety training and are encouraged to play an active role in safety committee meetings. If injured, you are required to report injuries, seek treatment, and comply with specific medical recommendations in accordance with each state's specific worker's compensation laws.

The following rules were developed to provide general guidelines for all employees to perform their jobs safely. It is every employee's responsibility to follow these rules and to encourage other employees to follow them as well. Willful violation of safety rules will result in disciplinary action up to and including termination. These rules are subject to change and will be reviewed periodically.

- a. If you are unsure how to safely perform any task, ask a manager for direction.
- b. If you feel that a task is beyond your physical capabilities, ask for help.
- c. Use common sense when performing any job.
- d. Know the location of your First Aid Kit, and notify management if any item needs replenished.
- e. Practice good housekeeping. All work areas must be neat, clean, and organized.
- f. Know the location of the following:
 - * Main water shut-off valve
 - * Main gas shut-off valve
 - * Main electrical breakers
 - * Hand-held fire extinguishers
 - * Fire alarm pull stations
- g. Do not block fire extinguishers and fire alarm pull stations.
- h. Immediately report any unsafe act or condition to your immediate supervisor whether or not an injury has occurred.
- i. Report any injury, whether personal, employee, or guest, to your immediate supervisor regardless of how minor.
- j. Do not run any equipment unless appropriate safety guards are in place and operational and you have been trained and certified in the proper operation of the equipment.
- k. Employees must wear appropriate personal protective equipment whenever required. These include but aren't limited to company-approved slip-resistant safety shoes, rubber gloves, splash-resistant goggles, hot mitts, cut-resistant gloves, protective aprons, etc.
- l. Employees must wear approved slip-resistant safety shoes at all times when working in the building.
- m. Employees must wear seat belts (both driver and passengers) while traveling in a motor vehicle on company business and abide by all traffic laws.

- n. Never distract the attention of another worker. Horseplay is a serious violation and will not be tolerated.
- o. Never run.
- p. Be cautious in congested areas and blind corners.
- q. Keep the floor clean, dry, unobstructed, and free of any trip and slip hazards. Always use “wet floor caution signs” whenever there is a spill or wet floor slip hazard.
- r. Follow all security guidelines outlined in the Hoss Way.
- s. Help the management team in its enforcement of safety rules. Report weaknesses in safety rules, make suggestions for improvement, and teach fellow employees the safe way to perform a job. Play an active role in the Hoss safety program.
- t. Keep all chemicals labeled, stored away from food, and covered when not in use.
- u. Keep all storage areas clean, organized, and safe. Do not store unapproved chemicals or flammable liquids.
- v. Keep all exits free from obstructions.
- w. Keep all coolers clean, organized, and safe. Do not block cooler aisle ways. Do not store glass containers in coolers.
- x. All products in coolers must be covered unless they are being cooled on the cooling shelf or a top shelf.
- y. Keep electrical rooms clear and uncluttered. Electrical panels must be clear 36 inches from the panel to allow easy access for the management team or emergency personnel.
- z. All garbage bags from restrooms must remain in the container and be taken to the dumpster to be discarded. At no time should the bag be removed from the container and carried by the employee. This policy prevents the employee from being exposed from any hazardous material that may have been discarded in a rest room garbage container.

Injury or Accident While Working

If you are injured or have an accident while working, it is your responsibility to report this to the manager on duty by the end of the shift. An Employee Accident Report will be completed. In Pennsylvania, if medical treatment is required, employees must treat with a physician who is listed on the physician panel posted in the employee information center for 90 days. Employees in Virginia must also treat with a physician from the list of providers that is posted in the employee information center.

Access to Personnel Files

If requested, employees will be permitted to examine their personnel file and/or obtain a copy of the materials therein. Advance notice in writing is required.

Complaint Procedures

Complaints will be handled in such a way that they enhance working conditions and provide resolutions to employee problems. The procedures shall be used without fear of reprisal or employment security.

You are encouraged to discuss with management any and all problems that you may have in connection with your work. Remember that many times your manager may be unaware of certain problems, and unless you call them to his/her attention, they may go by unnoticed and uncorrected. If the situation is not resolved, the employee may contact the District Manager or Human Resources Department. Note: You should report any incidents of harassment or discrimination immediately to your General Manager, the District Manager, or the Human Resources Department.

You may contact the Human Resources Department for any reason via Hoss's telephone hotline at 1-800-621-0270 ext. 2345 or via e-mail at people@hosscorp.com. Both methods of communication are confidential.

Behaviors That Will Result in Disciplinary Action

Failure to comply with any rules, guidelines, or procedures in this handbook will result in disciplinary action. The following is a list of behaviors that may not be included in other sections of this handbook. These behaviors, if they occur, will result in disciplinary action. This list is not exhaustive of the types of behavior that may result in disciplinary action, but rather is provided as a guide to employees to identify areas of concern to management. Management retains the right to discipline, including dismissal, for any behavior, whether related to job performance or otherwise, which adversely affects the reputation or business activities of our company.

1. Criticizing, condemning, or complaining in a manner that affects employee morale
2. Insubordination - refusal to accept a proper job as instructed by your supervisor or failure to carry out directives of management
3. Violation of Safety or Security Policies
4. Violation of Sanitation Policies
5. Falsification of company records (this includes applications, time clock edits, and work records)
6. Violation of Unlawful Harassment Policy

Disciplinary Suspension of Exempt Employees

Performance Problems and Attendance Violations

Exempt employees who are in violation of attendance policy or are experiencing ongoing performance problems may be suspended as part of a progressive discipline process for up to three days. Suspension of this type will be “paid” suspensions. With the approval of Human Resources, any exempt employee may also be suspended a full week, which will be unpaid, for more serious violations of the attendance policy or ongoing problems relating to performance.

Safety Violations, Willful Misconduct, and Serious Violations of Workplace Conduct Rules

Exempt employees who are in violation of safety rules of major significance may be suspended from 3 days up until 5 days. Suspensions will be unpaid and calculated in 1 day increments.

Exempt employees may also receive an unpaid suspension for infractions of workplace conduct rules, such as rules prohibiting sexual harassment, workplace violence or drug or alcohol use or for violations of state or federal laws. This provision refers to serious misconduct, not performance or attendance issues. Suspensions will be unpaid and calculated in 1 day increments.

BENEFITS

Meal Discounts

1. All employees (restaurant, corporate, and support) are eligible for meals at a 50% discount when on duty directly before, during, or after their shift.
2. During off-duty times, employees and their immediate family members (parents, siblings, spouse, and children) are eligible for a 25% meal discount. In order to receive the discount, employee must accompany their family. Employee must present most recent pay stub to verify employment while off-duty at a location other than their home store.
3. Management-level employees are eligible for manager meals that are 100% paid by Hoss’s while they are on duty. During off-duty times, managers and their immediate family members (parents, siblings, spouse, and children) are eligible for a 25% meal discount. In order to receive the discount, employee must accompany their family.

4. Discounts are available at both Hoss's Steak and Sea House and Marzoni's.

Holidays

1. Hoss's is closed on 7 major holidays so that each employee is able to spend time with family.
 - New Year's Day
 - Memorial Day
 - Independence Day
 - Labor Day
 - Thanksgiving Day
 - Christmas Day
 - Easter Sunday
2. It is not Hoss's policy to pay holiday pay; however, full-time employees will be given preference in scheduling during holiday weeks.

Benefits with Eligibility and Enrollment Requirements

Benefit Description	Contribution (Employee–EE Company–CO)	Payment Method	Eligible Employees	Enrollment Requirements & Time
Medical (PPO & HRA – Includes Drug)	Single Coverage – EE 27% / CO 73% of total premium Family Coverage – EE 23% / CO 77% of total premium	Pre-Tax Payroll Deduction	Full-Time and Management	1 st of month following 60-day probationary period or at annual open enrollment
Dental	Single Coverage – EE 100% of total premium Family Coverage – EE 100% of total premium	Pre-Tax Payroll Deduction	Full-Time and Management Part-Time	1 st of month following 60-day probationary period or at annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment
Vision	Employee Only – EE 100% Family – EE 100%	Pre-Tax Payroll Deduction	Full-Time and Management Part-Time	1 st of month following 60-day probationary period or at annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment

Benefit Description	Contribution (Employee–EE Company–CO)	Payment Method	Eligible Employees	Enrollment Requirements & Time
Basic Care Plan (Mini Medical Plan, Term Life Insurance, and Short-Term Disability Insurance)	EE – 100%	Payroll Deduction	All Part-Time (no hours requirement)	Contact Opti-Med at 1-800-482-8770 to enroll. No enrollment waiting period. Benefits are effective 31 days after hire date.
Group Life/ADD Insurance (Life Benefit – annual salary; ADD Benefit – two times annual salary)	CO – 100%	N/A	Full-Time and Management	1 st of month following 60-day probationary period or at annual open enrollment
Voluntary Life/ADD Insurance (Up to \$100,000 for employee and \$20,000 for spouse with no medical history required at first-time eligibility)	EE – 100%	Payroll Deduction	Full-Time and Management Part-Time	Annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment
Return of Premium Term Life Insurance	EE – 100%	Payroll Deduction or Direct Billed	All employees	For different options, pricing, and paperwork, contact Hillendale Associates, Bob Crook 814-943-9099

Benefit Description	Contribution (Employee–EE Company–CO)	Payment Method	Eligible Employees	Enrollment Requirements & Time
AFLAC Personal Cancer Protector (Individual or Family)	EE – 100%	Payroll Deduction	Full-Time and Management Part-Time	Annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment
AFLAC Personal Accident Expense (Individual or Family)	EE – 100%	Payroll Deduction	Full-Time and Management Part-Time	Annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment
AFLAC Personal Recovery Plus (Individual or Family)	EE – 100%	Payroll Deduction	Full-Time and Management Part-Time	Annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment

Benefit Description	Contribution (Employee–EE Company–CO)	Payment Method	Eligible Employees	Enrollment Requirements & Time
AFLAC Voluntary Indemnity Plan	EE – 100%	Payroll Deduction	Full-Time and Management Part-Time	Annual open enrollment 6 months of service and average of 20 hours per week 6 months prior to annual open enrollment
Employee Assistance Program (Individual and Family)	CO – 100%	N/A	All Employees	Immediate
401(k) Retirement Savings Plan	EE – 100%	Pre-Tax Payroll Deduction	Employees meeting the eligibility requirements	<ul style="list-style-type: none"> ▪ 21 years of age or older ▪ Work more than 1000 hours prior to an enrollment period ▪ Employed for at least one year prior to enrollment ▪ Quarterly Enrollments after eligibility requirements are met ▪ All employees who are eligible will receive enrollment information from Standard Insurance Company ▪ Hoss’s 401K Plan has an automatic enrollment feature.

Benefit Description	Contribution (Employee–EE Company–CO)	Payment Method	Eligible Employees	Enrollment Requirements & Time
529 College Savings Plans	EE – 100%	Depends on plan chosen	All Employees	For more information and to enroll, contact: Forney Financial Solutions, LLC 3018 Pleasant Valley Blvd. Altoona, PA 16602 1-888-9-FORNEY or 814-944-8474 E-Mail: john.c.forney@raymondjames.com
ESOP (Employee Stock Ownership Plan)	CO – 100%	Annual discretionary contributions by company	Employees meeting the eligibility requirements	<ul style="list-style-type: none"> ▪ 21 years of age or older ▪ Completed 1 yr of service as defined by the plan ▪ Worked 1000 in 12 month period prior to Open Season (Jan 1 or July 1)
PSECU (PA State Employees Credit Union)	EE - 100%		All Employees	Call Kelly Dorman at 1-800-237-7328 Ext. 2296 for more information.
<ul style="list-style-type: none"> ▪ For complete information on benefits offered, please visit http://www.hosspeople.com/benefits.html 				

Leave Benefits

Benefit Description	Eligible Employees	Enrollment Requirements & Time
<p style="text-align: center;">Vacation</p> <p>Policy effective January 1, 2009</p>	<p>Full-Time</p>	<p>Vacation Year: January to December.</p> <p>After 1 year of service: 40 hours vacation After 3 years of service: 80 hours vacation After 12 years of service: 120 hours vacation</p> <p><u>Service Achievement Vacation Award:</u> At the 20, 25, and 30-year anniversary of uninterrupted and continuous service, an additional 40 hours of vacation will be awarded to be used in the vacation year immediately following the employee's anniversary date. These vacation hours cannot be rolled over into the next year, cannot be converted to cash, and will not be paid out in the event of termination for any reason.</p> <p>A one-time adjustment will be made on the 1-year anniversary date to bring employee into the calendar-year cycle.</p> <p>Vacation must be used in the year it is awarded and cannot be rolled over. Exceptions may be made if an employee cannot use vacation due to a business necessity and the rollover is approved by the direct supervisor and Human Resources.</p> <p><u>Vacation Payout at Termination:</u> Upon termination, the cash equivalent of any unused vacation up to a maximum of 2 weeks or 80 hours will be paid within 30 days of termination only if:</p> <ul style="list-style-type: none"> • The employee gives a minimum of 14 calendar days notice in writing. • The termination is not based on willful misconduct or willful violation of company rules, policies or procedures.

		immediately following the employee's anniversary date. These vacation hours cannot be rolled over into the next year, cannot be converted to cash, and will not be paid out in the event of termination for any reason.
Family Medical Leave & Military Family Leave	All Employees	Refer to FMLA/Military Family Leave Policy

Benefit Description	Eligible Employees	Enrollment Requirements & Time
Short-Term Disability Insurance	Management (CO – 100% of premium)	Protects employee from wage loss due to disability for a period of 24 weeks after a 14-day waiting period
Long-Term Disability Insurance	Management (CO – 100% of premium)	Protects employee from wage loss due to disability for period of disability extending beyond 24 weeks until the age of 65 years
Personal Leave of Absence	All Employees	With management approval, all employees may be eligible for a leave of absence without pay for personal reasons for a maximum of 4 weeks. All benefits cease and vacation time is not earned during the personal leave of absence. If employee does not return to work at the end of 4 weeks, employment will be terminated.

Jury Duty	All Employees	Employees may request a leave of absence for Jury Duty. Upon receipt of proof of jury duty, Hoss's will pay the difference between the amount received for jury duty and regular pay for that period (which is based on average hours worked over the previous 6 months). Servers will be paid regular rate during jury duty.
Bereavement	Full-Time and Management Part-Time	Up to 3 days off with pay for employee and spouse's immediate family (spouse, parents, children, brothers, sisters); employees receive pay for 8 hours each day; unpaid days are allotted for others who are not immediate family. Up to 3 days off with pay for employee and spouse's immediate family (spouse, parents, children, brothers, sisters); employees receive pay based on average hours worked in most recent six-month period; unpaid days are allotted for others who are not immediate family.
Benefit Description	Eligible Employees	Enrollment Requirements & Time
Military Leave	All Employees	Military leave will be granted and reinstatement made in compliance with the Uniformed Services Employment and Re-employment Rights Act (USERRA). Contact Hoss's Human Resource Department for complete information regarding the USERRA law. During the leave, you will normally be covered by the military's health plan and your dependents will be covered 31 days later. Hoss's will continue insurance benefits so that no lapse in coverage occurs during the initial period. Reserve duty and short-term leaves will be granted unpaid. Vacation time may be used.

		Leaves of absence will also be granted without pay for training, enlistment in the National Guard, refresher courses, and local, state, and national disasters.
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POLICIES

Workplace Violence Policy

Hoss's provides a safe workplace for all employees. All employees should review and understand all provisions of this workplace violence policy to ensure a safe workplace and to reduce the risk of violence.

Prohibited Conduct

Hoss's does not tolerate any type of workplace violence committed by or against employees. Employees are prohibited from making threats or engaging in violent activities. This list of behaviors, while not inclusive, provides examples of conduct that is prohibited.

1. Causing physical injury to another person
2. Making threatening remarks
3. Aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress
4. Intentionally damaging employer property or property of another employee
5. Possession of a weapon while on company property or while on company business
6. Committing acts motivated by, or related to, sexual harassment or domestic violence

Reporting Procedures

Any potentially dangerous situations must be reported immediately to a manager or the Human Resources Department. Reports can be made anonymously, and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately and information will be disclosed only on a need-to-know basis. All parties involved in a situation will be counseled, and the results of investigations will be discussed with them. Hoss's will actively intervene at any indication of a possibly hostile or violent situation.

Individual Situations

While Hoss's does not expect employees to be skilled at identifying potentially dangerous persons, employees are expected to exercise good judgment and to inform the manager or Human Resources Department if any employee exhibits behavior that could be a sign of potentially dangerous situations. Such behavior includes:

1. Discussing weapons or bringing them to the workplace
2. Displaying overt signs of extreme stress, resentment, hostility, or anger
3. Making threatening remarks
4. Sudden or significant deterioration of performance
5. Displaying irrational or inappropriate behavior

Dangerous/Emergency Situations

Employees who confront or encounter an armed or dangerous person should not attempt to challenge or disarm the individual. Employees should remain calm, make constant eye contact and talk to the individual. If a manager can be safely notified of the need for assistance without endangering the safety of the employee or others, such notice should be given. Otherwise, cooperate and follow the instructions given.

Enforcement

Threats, threatening conduct, or any other acts of aggression or violence in the workplace will not be tolerated. Any employee determined to have committed such acts will be subject to disciplinary action, up to and including termination. Non-employees engaged in violent acts on the employer's premises will be reported to the proper authorities and fully prosecuted.

Unlawful Harassment

1. Statement of Philosophy

- a. Hoss's is proud of its tradition of an open and friendly work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal opportunity and prohibits unlawful harassment. The goal of this harassment policy is to prevent harassment from occurring, and to provide for procedures for implementing this policy. Hoss's will not tolerate harassment of its employees by anyone under its control.
- b. To ensure such an environment, Hoss's will not tolerate verbal or physical conduct by an employee or non-employee who harasses, disrupts, or interferes with another's work performance or which creates an intimidating, offensive, or hostile work environment. Each supervisor has a responsibility to maintain a workplace free of such conduct since such conduct constitutes unlawful harassment.
- c. Unlawful harassment is a form of discrimination prohibited by the Pennsylvania Human Relations Act, 42 P.S. § 951, et seq.; Title VII of the Civil Rights Act, 42 U.S.C. § 2000e et seq; and the Americans With Disabilities Act, 42 U.S.C. § 12101 et seq. The term (unlawful harassment) includes, but is not limited to verbal, graphic, or physical conduct relating to an individual's race, color, religion, ancestry, age (40 and above), sex, national origin, handicap or disability. Special attention is called to the prohibition of sexual harassment.
- d. Unlawful harassment is a form of employee misconduct that undermines the integrity of the employment relationship and will not be tolerated. This behavior is unacceptable in the workplace itself and in work-related settings as well. Employees must be allowed to work in an environment free from harassment. Consequently, employees who violate this policy will be subject to disciplinary action, up to and including discharge.

2. Dissemination of Policy

This policy will be disseminated to all employees and it will be displayed prominently at the place of employment. All supervisors are responsible for knowing of its existence and substance and are responsible for its implementation. The policy covers all individuals in the workplace.

3. Definition of Harassment

Harassment includes, but is not limited to slurs, jokes, or other verbal, graphic, or physical conduct relating to an individual's race, color, religion, age, gender, national origin, disability or other immutable characteristic protected by local, state, or federal law. Ethnic harassment includes the use of derogatory words or phrases characterizing a given racial or ethnic group. Sexual harassment includes, but is not limited to:

- a. Unwelcome sexual advances, requests for sexual favors in exchange for favorable treatment or continued employment or any employment benefit, and all other verbal or physical conduct of a sexual or offensive nature, especially where:
 - i. submission to such conduct is made either explicitly or implicitly a term or condition of employment;
 - ii. submission to or rejection of conduct is used as the basis for decisions affecting an individual's employment;
 - iii. such conduct has the purpose or effect of creating an intimidating, hostile, or offensive work environment.
- b. Offensive comments, jokes, innuendoes, epithets, derogatory or obscene comments, slurs, or sexual invitations, obscene comments or gestures or verbal abuse, graphic or suggestive language about an individual's dress or body, and all other sexually oriented or offensive statements.
- c. Visual conduct such as derogatory or sexually oriented posters, photographs, cartoons, drawings or gestures or other displays in the workplace of a sexually suggestive or offensive nature.
- d. Any and all other words or conduct which have the effect of unreasonably interfering with an individual's performance or creating a hostile or offensive work environment.

4. Complaint Procedure

- a. The policy encourages individuals who believe they are being harassed to firmly and promptly notify the offender that his/her behavior is unwelcome.
- b. All Complaints of unlawful harassment, as defined in this Policy, will be investigated promptly and in an impartial and confidential manner by or under the direction of the harassment investigator. The persons designated to perform harassment investigations are Phil Sukenik and Cynthia Smith, hereinafter investigator. Special

privacy safeguards will be applied in handling all complaints. No person named in a complaint of unlawful harassment shall be involved in conducting or supervising the investigation. Depending upon the circumstances and the nature of a particular complaint of unlawful harassment, the follow-up investigation may be conducted by a designated manager who would be acting under the direction of the investigator.

c. Procedures

- i. Any administrator, supervisor, or employee who believes that the actions or words of an administrator, supervisor, employee, or non-employee constitute unlawful harassment, has a responsibility to report or complain to the appropriate administrative supervisor or to the investigator within sixty (60) days of the occurrence of the allegation, so the charges can be investigated in a timely fashion. Formal complaints must be in writing.
- ii. Employees who want to make the investigator aware of a potential unlawful harassment situation, but not file a formal complaint, should be aware that these allegations **may** be investigated.
- iii. It shall be the responsibility of the investigator to promptly and thoroughly investigate any and all unlawful harassment complaints received or referred by other employees.
- iv. In the case of unlawful harassment complaints lodged by staff members with a supervisor, the supervisor may, at the complainant's request, attempt to resolve the problem informally. If an informal resolution satisfactory to the complainant is reached, no further investigation or action by the Employer is required.
- v. All other complaints not formally resolved to the complainant's satisfaction will be referred to the investigator who will initiate an investigation that may include, but not be limited to, the following:
 - Interview of the Complainant;
 - Interview of the Accused;
 - Interview of any other person with personal knowledge of the allegation of the complaint; and
 - Compliance with all state and federal mandates, statutes and laws.

- d. Both the charging party and the person accused of unlawful harassment will be given every opportunity to express themselves during the investigation. They may, if so desired, approach the

investigator either during the investigation or after they receive the notice of the findings. No attorneys are to be present.

- e. All employees should be aware that the privacy of the charging party and the person accused of unlawful harassment will be kept as confidential as possible, consistent with the Employer's legal obligations and the necessity to investigate allegations and to take disciplinary action. Investigative files will be kept separate from the regular personnel files. In all cases, the charging party and the person accused will be advised of the findings and conclusions.

5. Disposition of Complaint

- a. In all cases investigated by the investigator, the results of the investigation shall be reported in writing. Such report should include a conclusion and summary of facts upon which such conclusion is based, and a determination as to remediation, if appropriate.
- b. If the investigator concludes that unlawful harassment has occurred, he or she shall determine the appropriate remediation and/or discipline up to and including dismissal.
- c. If the investigator concludes that no unlawful harassment has occurred, the parties shall be so notified. Under no circumstances shall any record of a complaint which is found to be without basis be released to any person other than the complainant, and the accused, without consent of the accused, except by Order of Court.
- d. If the investigation is inconclusive, the investigator shall so state in the report.
- e. Neither the charging party nor the person accused will receive a copy of the final report; however, the findings will be reviewed at the request of either party.
- f. Either party may, if so desired, have his/her comments filed along with the final report.
- g. If the investigator finds on behalf of the charging party, then a disposition of the matter will be included with the investigator's final report.
- h. Retaliation taken against individuals who bring unlawful harassment charges, or individuals who assist in investigating such charges, is strictly prohibited.

- i. Unlawful harassment charges that are, or have been, in litigation, are beyond the scope of the investigator.
- j. Any form of unlawful harassment is strictly forbidden under this Policy. Employees who violate this Policy will be subject to disciplinary action, up to and including termination from employment.
- k. If the investigator concludes that the accused is not guilty of unlawful harassment, and the complaint was fraudulently made or lodged in bad faith, then it may determine the appropriate discipline up to and including dismissal of the complainant, subject to any limitations of law. In addition, if the investigator concludes that the accused retaliated against the complainant in any way because of the complaint, then it may determine the appropriate discipline, up to and including dismissal of the accused, subject to limitations of law.

6. Conclusion

Hoss's Steak and Sea House has developed this policy to insure that its employees can work in an environment free from unlawful harassment.

Family Medical Leave & Military Family Leave Policy

1. General Provisions

It is the policy of Hoss's Steak and Sea House to grant up to 12 weeks of family and medical leave during a 12-month period to eligible employees, in accordance with the Family and Medical Leave Act of 1993 (FMLA). Any questions regarding this policy should be directed to your manager or to the Human Resources Department.

2. In order to qualify to take family and medical leave under this policy, the employee must meet all of the following conditions:

- a. The employee must have worked for the company at least 12 months, or 52 weeks. The 12 months or 52 weeks need not have been consecutive. For eligibility purposes, an employee will be considered to have been employed for an entire week, even if the employee was on the payroll for only part of a week or if the employee is on leave during the week.
- b. The employee must have worked at least 1250 hours during the 12-month period immediately before the date when the leave would begin.
- c. The employee must work in an office or work site where 50 or more employees are employed within 75 miles of that office or work site.

3. In order to qualify for FMLA leave under this policy, the employee must be taking the leave for one of the reasons listed below:

- a. The birth of a child and in order to care for that child
- b. The placement of a child for adoption or foster care
- c. To care for a spouse, child, or parent with a serious health condition (described below)
- d. A serious health condition (described below) of the employee
- e. Eligible employees are entitled to up to 12 weeks of leave because of “any qualifying exigency” arising out of the fact that a spouse, son, daughter, or parent of the employee is on active duty, or has been notified of an impending call to active duty status, in support of a contingency operation.
- f. An eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty is entitled to up to 26 weeks of leave in a single 12-month period to care for the service member.

An employee may take leave because of a serious health condition. A serious health condition is defined as a condition which requires inpatient care at a hospital, Hospice, or residential medical care facility or a condition which requires continuing care by a licensed health care provider, as more fully defined in 29 CFR 825.114.

Employees with questions about what illnesses are covered under this FMLA policy or under the company's leave policy are encouraged to consult with the Human Resources Department.

The company may require an employee to provide a doctor's certification of the serious health condition. The certification process is outlined in "Certification of a Serious Health Condition."

All leave designated as FMLA leave must meet all the necessary qualifications.

An eligible employee can take up to 12 weeks of leave under this policy during any 12-month period. The company will measure the 12-month period as a rolling 12-month period measured forward from the date an employee uses any leave under this policy. Each time an employee takes leave, the company will compute the amount of leave the employee has taken under this policy and subtract it from the 12 weeks of available leave. The balance remaining is the amount the employee is entitled to take at that time.

If a husband and wife both work for the company, and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition, the husband and wife may only take a total of 12 weeks of leave.

Any FMLA Leave taken by any employee will be automatically counted toward the 12-week yearly maximum.

4. Employee Status and Benefits During Leave

While an employee is on leave, and if the employee is eligible to participate in the company's Health Care Benefits, the company will continue the eligible employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

If the employee chooses not to return to work for reasons other than a continued serious health condition, the company will require the employee

to reimburse the company the amount it paid for the employee's health insurance premium during the leave period.

If an employee is unable to return to work after the 12-weeks FMLA leave and has benefits, the employee may be eligible for COBRA, in which the employee will be responsible for paying 102 percent of the premium which includes the employee and employer portion of the benefit and an administration cost.

Under current company policy, the employee pays a portion of the health care premium. While on paid leave, the employer will continue to make payroll deductions to collect the employee's share of the premium. While on unpaid leave, the employee must continue to make this payment, either in person or by mail. The Human Resources Department will send an invoice monthly after payroll is completed for the month. If the payment is not made on the due date specified on the invoice, the employee's health coverage may be cancelled for nonpayment. It is the employee's responsibility to continue to fund employee-funded benefits (dental and vision).

Any accumulated vacation time may be used during FMLA leave. Vacation time taken during FMLA leave will be counted toward FMLA leave.

5. Employee Status After Leave

At the end of the leave period, an employee who takes leave under this policy will be able to return to the same job or a job with equivalent status, pay, benefits and other employment terms.

6. Intermittent Leave or Reduced Work Schedule

The employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year), or under certain circumstances may use the leave to reduce the work week or work day, resulting in a reduced hour schedule. In all cases, the leave may not exceed a total of 12 weeks over a 12-month period.

The company may temporarily transfer an employee to an available alternate position with equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule.

For the birth, adoption or foster care of a child, the company and the employee must mutually agree to the schedule before the employee may take the leave intermittently or work a reduced-hour schedule. Leave for

birth, adoption or foster care of a child must be taken within one year of the birth or placement of the child.

If the employee is taking leave for a serious health condition or because of the serious health condition of a family member, the employee should try to reach an agreement with the company before taking intermittent leave or working a reduced-hour schedule. If this is not possible, then the employee must prove that the use of the leave is medically necessary. The company may require certification of the medical necessity, discussed in "Certification of Serious Health Condition."

7. Certification of Serious Health Condition

The company may ask for certification of the serious health condition (form #SF05). The employee should try to respond to such a request within 15 days of the request, or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

Certification of the serious health condition shall include: the date when the condition began, its expected duration, diagnosis, and a brief statement of treatment. For medical leave for the employee's own medical condition, the certification must also include a statement that the employee is unable to perform the essential functions of the employee's position. For a seriously ill family member, the certification must include a statement that the patient requires assistance and the employees' presence would be beneficial or desirable.

If the employee plans to take intermittent leave or work a reduced schedule, the certification must also include dates and the duration of treatment and a statement of medical necessity for taking intermittent leave or working a reduced schedule.

The company has the right to ask for a second opinion if it has reason to doubt the certification. The company will pay for the employee to get a certification from a second doctor, which the company will select.

If necessary to resolve a conflict between the original certification and the second opinion, the company will require the opinion of a third doctor. The company and the employee will jointly select the third doctor, and the company will pay for the opinion. This third opinion will be considered final.

8. Procedure for Requesting Leave

Except where leave is not foreseeable, all employees requesting leave under this policy must fill out and submit a Leave Request Form that may be found in the forms directory under PR-06 to their immediate supervisor with a copy to the Human Resources Department. Employees requesting FMLA leave will receive a copy of this FMLA policy and form PR-06.

When an employee plans to take leave under this policy, the employee must give the company 30 days notice. If it is not possible to give 30 days notice, the employee must give as much notice as is practical. An employee undergoing planned medical treatment is required to make a reasonable effort to schedule the treatment to minimize disruptions to the company's operations.

If an employee fails to provide 30 days notice for foreseeable leave with no reasonable excuse for the delay, the leave request may be denied until at least 30 days from the date the employer receives notice.

While on leave, employees are requested to report monthly to the company regarding the status of the medical condition, and their intent to return to work.

9. Fitness for Duty Certification

When a leave is taken due to an employee's own serious health condition as defined by this policy, before returning to work, the employee must present a certification form signed by the employee's health care provider that the employee is able to resume work.

10. Failure to return to work after 12 weeks of FMLA Leave

If an employee is unable to return to work after utilizing 12 weeks of FMLA leave, the company:

- i. Does not have the obligation to retain the individual as an employee and will place the employee on terminated status.
- ii. May rehire the employee if a suitable position becomes available. Rehired employees will be considered new employees. Rehired employees will be offered the salary level of the new job with loss of any years of service credit.
- iii. Will discontinue all benefits and extend COBRA and other portability provisions.

11. For the purpose of this policy, the following definitions apply:

“Spouse” is defined in accordance with applicable State law.

“Parent” includes biological parents and individuals who acted as the employee’s parents, but does not include parents-in-law.

“Son” or “daughter” includes biological, adopted, foster children, stepchildren, legal wards, and other persons for whom the employee acts in the capacity of a parent and who is under 18 years of age or over 18 years of age but incapable of caring for themselves.

“Continuing Care” means: (1) two or more treatments by a health care provider; (2) two or more treatments by a provider of health care services (e.g., physical therapist) on referral by or under orders of a health care provider; (3) at least one treatment by health care provider (e.g., a program of medication or therapy) that results in regimen of continuing treatment under the supervision of the health care provider; or (4) under the supervision of, although not actively treated by, a health care provider for a serious long-term or chronic condition or disability which can not be cured (e.g., Alzheimer’s or severe stroke).

“Needed to Care For” a family member encompasses (1) physical and psychological care; and (2) where the employee is needed to fill in for others providing care or to arrange for third-party care for the family member.

Ethics and Integrity

In our business dealings, we may be faced with ethical and legal questions. This is a guide to general questions and concerns that may arise. Since it is difficult, if not impossible to include every situation that may occur, it is imperative that you consult your immediate supervisor if you have any question regarding your latitude for decisions in this area.

Communication

If you are aware of an unlawful or unethical situation, you are responsible for reporting it to your immediate supervisor when possible. You may also report to higher levels of management. Reports of unlawful or unethical practices will be investigated promptly. Hoss's will not tolerate any threats or acts of retribution toward you for reporting these incidents.

Workplace

We work hard to earn and maintain high standards and respect for our business name. You are a very important part of this. We expect you to deal honestly and fairly with our guests, other employees, suppliers, and the community. Any actions on or off the job that Hoss's management determines adversely affect your performance, the performance of other employees, or the legitimate business interests of our company will be addressed. If it is determined that the employee has engaged in unlawful or unethical behavior, disciplinary action will be taken up to and including dismissal.

Privacy

Your personnel file contains personal as well as business-related information. Access to these files is restricted to those people who "need to know". Personal information will not be released without your approval except to verify employment or when responding to a legitimate investigative or legal requirement. You may review your personnel file at any time upon giving a reasonable notice. Since we are required by law to maintain certain employment records, no documents may be removed from your file.

Fraud, Theft, or Embezzlement

Hoss's will not tolerate dishonest practices. This includes but is not limited to hours worked, expense reports, deception of numbers, unlawful taking of property of Hoss's, its employees, guests, or suppliers. Disciplinary action will be taken against any offender up to and including dismissal. Applicable evidence will be turned over to the proper authorities for prosecution under the law. Full restitution will be required. Documentation will be entered into your personnel file.

Suppliers/Contractors

We are committed to being aggressive in pursuing the best products and services for our dollar spent. This must be the guiding factor in dealing with suppliers and contractors. Personal relationships or the potential for personal gain must be set aside to make objective decisions. We expect you to be fair and impartial in your dealings with outside concerns.

Use of Company Name

Employees may not represent themselves as an agent or employee of Hoss's for personal or financial gain unless the same benefits are available to all Hoss employees; i.e., a Hoss's corporate discount to anyone joining Sam's Club.

Memberships

Although we encourage memberships in community organizations, we ask that you evaluate the organization and your position therein. Before accepting a position in a profit or non-profit organization, you should consider any potential conflict of interest or the possibility of creating embarrassment or division of loyalty.

Confidential Information

Many of you will come in contact with proprietary and confidential information. It is incumbent upon each of us to maintain strict confidence with such information entrusted to us. Competitors or other groups may attempt to learn about matters, which could be used to the detriment of the company and all employees. Releasing confidential information to unauthorized individuals will result in immediate termination.

Electronics Policy

Purpose

To remain competitive, better serve our customers, and give our talented workforce the best tools to do their jobs. Hoss's continues to adopt and make use of new means of communication and information exchange. This means that many of our employees have access to one or more forms of electronic media and services, including but not limited to, computers, e-mail, telephones, cell phones, voice mail, fax machines, external electronic bulletin boards, wire services, on-line services, the Internet, and the World Wide Web.

Hoss's encourages the use of these media and associated services because they can make communication more efficient and effective and because they are valuable sources of information about vendors, customers, technology, and new products and services. However, all employees and everyone connected with the organization should remember that electronic media and services provided by the company are company property and their purpose is to facilitate and support company business.

This policy cannot lay down rules to cover every possible situation. Instead, it is designed to express Hoss's philosophy and set forth general principles employees should apply when using electronic media and services. The following procedures apply to all electronic media and services that are:

1. Accessed on or from company premises
2. Accessed using company computer equipment or via company-paid access methods
3. Used in a manner that identifies the individual with the company

Prohibited Communications

Electronic media cannot be used for knowingly transmitting, retrieving, or storing any communication that is:

1. Discriminating or harassing
2. Derogatory to any individual or group
3. Obscene
4. Defamatory or threatening
5. Considered a chain letter
6. Engaged in for any purpose that is illegal or contrary to Hoss's policy or business interests

Personal Use

Electronic media and services are provided by Hoss's primarily for employees' business use. Limited, occasional, or incidental use of electronic media (sending or receiving) for personal, nonbusiness purposes is understandable and acceptable. However, employees are expected to demonstrate a sense of responsibility and not abuse this privilege. It is not appropriate to subscribe to non-business related mailing lists where information is automatically sent to your e-mail address.

Access to Employee Communications

Hoss's does not routinely access or monitor employee communications directly. However, individual use patterns – for example, telephone numbers dialed, sites accessed, call length, and time at which calls are made – may be monitored for the following purposes:

1. Cost analysis
2. Resource allocation
3. Optimum technical management or information resources
4. Detecting patterns of use that indicate employees are violating Hoss's policies or engaging in illegal activity

Hoss's reserves the right, at its discretion, to review any employee's electronic files and messages to the extent necessary to ensure electronic media and services are being used in compliance with the law, this policy, and other Hoss Policies.

Employees should not assume electronic communications are totally private. Accordingly, if you have sensitive information to transmit, you should use other means.

Please keep in mind that courts can subpoena electronic data, history and communications in the process of an investigation or lawsuit. This means that all data, history and communications (emails sent, websites visited) stored on individual computers or shared network servers could be obtained and potentially made public. It is important to note that information that was previously deleted can remain on your computer or company network servers and can be accessed and recreated. It is each user's responsibility to use discretion when using company equipment and when communicating electronically and to understand that using this resource does not ensure confidentiality.

Security/Appropriate Use

Employees must respect the confidentiality of other individuals' electronic communications. Except in cases in which explicit authorization has been granted by company management, employees are prohibited from engaging in, or attempting to engage in:

1. Monitoring or intercepting the files or electronic communications of other employees or third parties
2. Hacking or obtaining access to systems or accounts they are not authorized to use
3. Using other people's log-ins or passwords
4. Breaching, testing, or monitoring computer or network security measures

No e-mail or other electronic communications can be sent that attempt to hide the identity of the sender or represent the sender as someone else.

Electronic media and services should not be used in a manner that is likely to cause network congestion or significantly hamper the ability of other people to access and use the system.

Please use discretion when sending electronic messages to "groups". Limit addresses to those who the information pertains to.

Anyone obtaining electronic access to other companies' or individuals' materials must respect all copyrights and cannot copy, retrieve, modify, or forward copyrighted materials except as permitted by the copyright owner.

Participation in On-Line Forums

Employees should remember that any messages or information sent on company-provided facilities to one or more individuals via an electronic network - for example, Internet mailing lists, bulletin boards, and on-line services – are statements identifiable and attributable to Hoss's.

Hoss's recognizes that participation in some forums might be important to the performance of an employee's job. For instance, an employee might find the answer to a technical problem by consulting members of a newsgroup devoted to the technical area.

Employees should include the following disclaimer in all of their postings to public forums:

"The views, opinions, and judgments expressed in this message are solely those of the author. The message contents have not been reviewed or approved by Hoss's."

Employees should note that even with the disclaimer, a connection with Hoss's exists and a statement could be imputed legally to Hoss's. Therefore, employees should not rely on disclaimers as a way of insulating Hoss's from the comments and opinions they contribute to forums. Instead, employees must limit their discussion to matters of fact

and avoid expressing opinions while using Hoss's systems or a company-provided account. Communications must not otherwise violate this or other Hoss's policies.

Policy Violations

Employees violating Hoss's electronic media or services policy are subject to discipline, up to and including termination. Employees using the electronic media or services for defamatory, illegal, or fraudulent purposes and employees who break into unauthorized areas of Hoss's computer system also are subject to civil liability and criminal prosecution.

Drug and Alcohol Testing Policy

The objective of this policy is to inform employees of this company's position on the use and abuse of drugs, alcohol and/or other controlled substances, and to advise them of the actions which will be imposed for violations of these Guidelines.

These drug and alcohol testing rules are intended to protect the safety of the workers and general public by ensuring that employees do not use drugs or misuse alcohol. **This policy is not, does not represent, and should not be taken as a contract for employment.** Violation of this policy may result in disciplinary action up to and including termination.

Any questions regarding this policy or the drug and alcohol testing program and procedures may be directed to: **Phil Sukenik at (814) 695-7600**

Employees Subject to Testing

This policy applies to all applicants and employees of HOSS'S STEAK AND SEA HOUSE. A separate policy applies to all employees subject to the DOT Regulations, such as Truck Drivers.

Definitions Used In This Policy

Accident -- For the purpose of this Policy an accident is defined as an incident involving an employee in which there is either a "fatality" or an injury to any person, as a result of the accident, requiring treatment away from the workplace or scene of the accident, or damage to a Company vehicle whereby it is disabled and is required to be towed from the scene of the accident.

Alcohol means any alcoholic beverage (beer, wine, liquor, etc.) or over-the-counter or prescription medication containing alcohol, the consumption of which may affect the behavior, performance and actions of the employee to the extent that he may pose a threat to the safety of himself or others, and/or manifests itself with a blood alcohol level of .02 or greater.

Controlled substances or Illegal drugs means any controlled substance or drug, the sale, possession or consumption of which is illegal. The term includes prescription drugs not legally obtained and prescription drugs not being used in the manner, combination or quantity prescribed. It also includes any drug or substance listed under the controlled substance Drug Device and Cosmetic Act 64. Drugs specifically being tested for include amphetamines, marijuana, opiates, cocaine, and phencyclidine (PCP).

Medical Review Officer means a licensed doctor of medicine or osteopathy with knowledge of drug abuse disorders that is employed or used by the Company to review drug test results, and maintain drug testing files for applicants and employees subject to testing. The Medical Review Officer is familiar with the characteristics of drug tests

(sensitivity, specificity, and predictive value), the laboratories running the tests and the medical conditions and work exposures of the employees. The role of the Medical Review Officer will be to review and interpret the positive test results.

Negative Test Result in drug testing, means a result, reviewed by an MRO and determined to have no evidence of prohibited drug use. In alcohol testing, means a confirmation test result of less than 0.02.

Positive Test Result in drug testing, means a drug test result reviewed by a MRO and verified to have evidence of prohibited drug use. In alcohol testing, means a confirmation test result of 0.02 or greater.

Substance Abuse Professional" or ("SAP") means a licensed physician (medical doctor or doctor of osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional, or addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and drug-related disorders.

Under the Influence means, for the purpose of this Policy, the employee is affected by a drug or alcohol, or the combination of a drug and alcohol, in any detectable manner. A determination of whether an employee is under the influence of drugs or alcohol will be based on specific contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the employee.

Alcohol Prohibitions: Prohibited Conduct

All employees are strictly prohibited from:

1. Reporting or remaining on duty when the employee's BAC indicates a 0.02 or greater alcohol concentration.
2. Employees are prohibited from using alcohol while on duty, on Company time or on Company premises.
3. If an employee tests positive for alcohol, and is not terminated, performing Company duties is prohibited until the employee successfully completes any alcohol treatment program as prescribed by the SAP (Substance Abuse Professional), and the SAP recommends the employee return to work.
4. Employees may not refuse to submit to any alcohol test required under this policy.
5. Employees are prohibited from engaging in the unlawful or unauthorized possession manufacture, distribution or sale of alcohol on Company premises, in Company vehicles, or while engaged in Company activities.

Drug Prohibitions: Prohibited Conduct

All employees are strictly prohibited from:

1. Illegal or illicit drug use while on duty or while off duty is prohibited.
 - a. Employees are prohibited from reporting for duty, or remaining on duty when the employee uses any drugs, on or off the job, except when the use is pursuant to a doctor's orders and the doctor has advised the employee that the substance does not adversely affect the employee's ability to safely perform his/her duties. The employee must also alert Company officials to the use of prescription medications that may impair performance and/or pose a safety hazard.
 - b. Prescription medications that cause an employee to be under the influence as defined above, and which are not taken according to specific instructions of the employee's prescribing physician, will result in a violation of this policy.
2. If an employee tests positive for drugs, and is not terminated, performing Company duties is prohibited until the employee successfully completes any drug treatment program as prescribed by the SAP (Substance Abuse Professional), and the SAP recommends the employee return to work.
3. Refusal to submit to a required drug test is prohibited.
4. Employees are prohibited from engaging in the unlawful or unauthorized manufacture, distribution, sale or possession of drugs on Company premises, in Company vehicles or while engaged in Company activities.

Drug and Alcohol Testing Procedures

As required by this policy, employees may be subject to drug and/or alcohol testing in the following situations:

- Pre-employment Testing (Drugs only; Hair Testing only; Management Personnel Only)
- Reasonable Suspicion Testing (All employees)
- Post-Accident Testing (All employees)
- Return-to-Duty Testing (All employees)
- Follow-up Testing (All employees)

1. Pre-Employment Testing (Management Positions): Drugs only
 - a. Each applicant to whom the Company has extended a conditional offer of employment must submit to controlled substance testing after the offer of employment but before performing job duties. The employment offer will be conditional upon the passage of the drug test. Any applicant refusing to be tested will not be hired. All applicants must submit to hair collection for Drug Screening within 48 hours from the time of notification, in order to be considered for employment.
 - b. Current hourly employees being promoted to either a salaried position or an hourly management position will also be tested for drugs. Note: This program will not apply to West Virginia applicants.
 - c. Any applicant testing positive for drugs will not be hired.

2. Reasonable Suspicion Testing: Drugs and Alcohol
 - a. Where there is reasonable suspicion that an employee is using drugs, or is under the influence of alcohol, the Company will require the employee to be tested for the use of controlled substances and/or alcohol.
 - b. Supervisors must require an employee to submit to a drug and alcohol test where there is reasonable suspicion to believe that the drug and alcohol rules have been violated.
 - c. Determination to test will be based on "specific contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the employee and/or the employee's job performance."
 - d. The employee must submit to reasonable suspicion drug and alcohol testing when requested to do so by the Company.
 - e. Alcohol testing is authorized *only if* the observations are made during, just before or just after the employee's workday. The employee, likewise, can only be tested for alcohol during, just before, or just after the performance of job duties.
 - f. The supervisor or other designated Company official will "transport" the employee to the collection site for a Breath and/or Urine Sample. The employee will not be allowed to drive himself.
 - g. If the results of a reasonable suspicion alcohol and/or drug test are negative, the employee will be compensated for all time lost from work, which is directly attributable to the request to take the test.

3. Post-Accident Testing/Drugs and Alcohol
 - a. When tests must be administered: Post-accident alcohol tests should be administered ASAP after the accident and no later than four (4) hours, following the accident.
 - b. Employee's Responsibility:
 - i. All employees will be drug and alcohol tested, as soon as practicable, following an accident (as previously defined) involving the employee, ***when*** the accident results in either: (a) fatality, (b) bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident, (c) one or more motor vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other vehicle.
 - ii. An employee who is subject to post-accident testing must remain readily available for a drug and alcohol test, or the Company may consider the employee to have refused to submit to testing.
 - iii. The employee subject to post-accident testing must refrain from consuming alcohol for eight hours following the accident, or until he/she submits to an alcohol test, whichever comes first.
4. Return-to-Duty Testing: In the case of a positive Drug or Alcohol Test:
 - a. Under this policy, if an employee is given the opportunity to return to work, after having engaged in prohibited conduct regarding alcohol misuse and/or illegal drug use, he shall meet all Substance Abuse Professional requirements ***and*** undergo a return-to-duty alcohol test indicating a breath alcohol concentration of less than 0.02 or a controlled substance test with a negative result, before the employee returns to duty.
 - b. In either event, if a return-to-duty test is required, the employee must also have been evaluated by a substance abuse professional (SAP) and have participated in and satisfactorily completed any assistance or rehabilitation program prescribed.
5. Follow-Up Testing:

Following a determination that an employee is in need of assistance in resolving problems associated with alcohol misuse and/or use of controlled substances, the employee shall be subject to a minimum of six random follow-up controlled substance and/or alcohol tests in the first 12 months, as directed by the substance abuse professional.

6. Confirmation Reanalysis of Test Results

a. Positive Drug Tests

- i. All positive urine drug test results will be confirmed by gas chromatography and mass spectrometry (GC/MS). All confirmed positive drug test results will be reviewed by an MRO (Medical Review Officer) to determine whether there is any legitimate explanation for the positive test result. This review may include a medical interview, review of the employee's medical history, or review of any other relevant biomedical factors and all medical records made available by the tested employees.
- ii. Employees testing positive will be given the opportunity to discuss with the MRO any legitimate explanation for the positive test result. If the MRO determines that there is a legitimate medical explanation for the confirmed positive test result, the MRO will report the test result to the Company as negative. If the MRO determines that there are no legitimate explanations for the confirmed positive test result, the results will be verified by the MRO.
- iii. The MRO may verify a test as positive without having communicated directly with the employee when:
 - the employee expressly declines the opportunity to discuss the test, or
 - the designated Company representative has successfully contacted the employee and instructed the employee to contact the MRO and more than five (5) days have passed since the employee was contacted by the Company's representative.
- iv. Upon request by the employee or applicant (within 72 hours of being notified results), any employee or applicant testing positive for controlled substances will be given a reliable confirmatory urinalysis retest of the sample by a D.H.H.S. Certified Lab. All costs for the re-test shall be paid for by the employee unless the test proves negative. Confirmed positive test results shall be reported to the Medical Review Officer. If reanalysis fails to detect the presence of the previously confirmed drug the MRO must cancel the tests and report the cancellation to employer and employee. Actions required from the first positive test are not "stayed" pending the split specimen's result.

b. Positive Alcohol Tests

If the result of the screening test is an alcohol concentration of .02 or greater, a confirmation test will be performed. The confirmation test will be conducted within 30 minutes from the end of the screening test. The confirmation test result is the final result upon which any discipline or other action under the Company's policy shall be based.

7. Inability to Provide Adequate Amount of Specimen / Sample

a. Drugs: The employee must provide at least 45 milliliters of urine for a drug test.

If the employee is unable to provide such a quantity of urine then the employee will be instructed to drink a set amount of fluid and after a period of up to three hours, again attempt to provide a complete specimen. For a Pre-employment Drug Test, if an applicant is still unable to provide an adequate specimen this will constitute a refusal to test and the applicant will be considered ineligible for employment with the Company.

For all other types of drug testing, if the employee is still unable to provide an adequate specimen, the MRO will refer the employee for a medical evaluation. If the MRO determines that there is no legitimate medical explanation for the employee's failure to provide an adequate amount of urine, this will constitute a refusal to test and be handled in the same manner as a positive test.

b. Alcohol: Each employee shall blow forcefully into the mouthpiece of the EBT for at least six (6) seconds or until the EBT indicates that an adequate amount of breath has been obtained.

If an applicant fails to provide, or is unable to provide an adequate breath sample, this will constitute a refusal to test rendering the applicant ineligible for employment with the Company.

If an employee fails to provide or claims that he or she is unable to provide a sufficient amount of breath sample to permit a valid breath test because of a medical condition, the Company will require the employee to be evaluated by a physician. If the physician determines that the employee's alleged medical condition could not preclude the giving an adequate breath sample, this will be considered a refusal to test.

8. Specimen Adulteration: MRO / Company Guidelines

In the event the MRO receives a laboratory report indicating the possibility of specimen adulteration, the MRO shall follow procedures outlined below to review and interpret the laboratory report.

- a. Specific Gravity < 1.003 and Creatinine < 0.2 G / L : The MRO will report the laboratory findings, including negative and cancelled tests, to the SAPM (Substance Abuse Program Manager). The Company may require the donor's next urine specimen to be collected under direct observation procedures. A dilute (specific gravity < 1.003 And creatinine < 0.2 G / L) may require the individual to submit to another urine specimen collection and test.
- b. Specimen not suitable:
In specimen not suitable reports, the MRO should first discuss the test result with the appropriate laboratory forensic toxicologist to obtain more facts or documentation. The MRO should then contact the employee/applicant and inform him/her that the urine specimen was not suitable for testing, and will inquire whether medication (e.g. non-steroidal anti-inflammatory agents) or another medical explanation may account for the specimen's unsuitability. If no acceptable explanation for the unsuitability is provided, the MRO will inform the employee/applicant that another urine specimen will be collected under direct observation procedures. The MRO will also report the result to the Company and inform the Company that another urine specimen collection under direct observation is required. If there is an acceptable explanation for the unsuitability the MRO will report the specimen as cancelled.
- c. Specimen adulterated:
The MRO will report the result as "specimen adulterated" to the Human Resource Director and inform the Human Resources Director that the laboratory finding constitutes a refusal to submit to testing. Under this policy, this requires that the employee be removed from performing any job function.

Consequences to Employees Engaging in Prohibited Conduct

Employee's who are observed engaging in prohibited behavior or tested at .02 or greater for alcohol or positive for controlled substances, are subject to the following consequences:

1. If results are positive – first violation:
Disciplinary action will occur as stated in The Hoss Way up to and including termination.

2. If a decision is made to continue employment:
 - a. EAP professionals will provide an assessment to develop a mandatory rehabilitation program and monitor employee's progress.
 - b. Leave of absence will be granted upon employee's request under the guidelines of the Leave of Absence Policy.
 - c. Retesting program upon EAP's certification of a rehabilitation program – this will include testing for at least one year.

3. Financial Consequences:
 - a. Only first offenders will receive financial assistance.
 - b. Hoss's will pay for the expense of all initial testing.
 - c. Benefits will continue/discontinue under the guidelines of the Leave of Absence Policy.
 - d. All uninsured medical and related expenses are the responsibility of the employee during rehabilitation.
 - e. Refer to current medical insurance booklet for inpatient/outpatient coverage for drug treatment.
 - f. Expenses of ongoing screening as part of the rehabilitation program will be the responsibility of the employee.

4. If results are positive – second violation:
Termination with possible reinstatement after six months and evidence of rehabilitation treatment.

5. If results are positive – third violation:
Final termination – no consideration for rehire.

6. Confidentiality:
Any information regarding positive test results will be processed through the Director of Human Resources. Only those with a need to know (for example, immediate supervisor for scheduling changes, Employee Assistance Program counselor for assessment) will have access to this confidential information.

Refusal to submit to an Alcohol or Drug Test

Refusal to submit to an alcohol or drug test will result in immediate termination. Refusal to submit to an alcohol or controlled substance (drug) test means that an employee:

1. Fails to provide adequate breath for testing without a valid medical explanation,
2. Fails to provide adequate urine for controlled substance testing without a valid medical explanation,

3. Engages in uncooperative conduct that clearly obstructs the testing process,
4. Refuses to sign the drug or alcohol testing form(s),
5. Misuses alcohol between initial and confirmatory test and/or refuses to take the confirmatory test.*
6. Arrive late or does not arrive at all, at the collection site, without an acceptable and verifiable excuse.
7. Provides an adulterated specimen (as verified by the testing lab or collection site or MRO) to be tested. (includes soap and other substances)

Certified Laboratories

All urine drug tests conducted pursuant to this policy shall be performed by laboratories that meet the certification requirements under the Department of Health and Human Services' Mandatory Guidelines for Federal Drug Testing Programs (SAMHSA Certified Labs).

Compensation for Tests

All time spent providing a breath and/or urine sample, including travel time to and from the collection site in order to comply with post-accident, or negative reasonable suspicion tests, shall be considered as work time, and the employee will receive his or her regular compensation for such time.

Cost of Testing

1. The cost of the initial urine drug and breath alcohol testing, unless otherwise provided for in the Agreement, shall be borne by the Company.
2. The costs of any confirmatory drug tests sent to another DHHS/SAMHSA certified lab, as requested by the employee will be paid for by that employee. However, if the tests prove negative, costs shall be borne by the Company.
3. Costs of any Return-to-Duty and/or Follow-Up Testing performed will be paid for by the employee.

Compliance as a Condition of Employment

All employees are hereby advised that full compliance with the Company's controlled substance and alcohol policies shall be a pre-condition of employment and a condition of continued employment at this Company. Any employee who violates this policy shall be subject to discipline up to and including immediate discharge, even for the first offense.

This policy supersedes any written policies issued as, or included in, manuals, handouts, or individual policies, prior to this date. This policy is effective Immediately upon receipt by the employee. This policy is subject to changes, revisions, etc., without prior notice, depending on policy requirements.

Leave of Absence Prior to Testing

1. Employee shall be permitted to take an unpaid leave of absence for the purpose of undergoing treatment pursuant to an approved program of alcoholism or drug use. The leave of absence must be requested prior to the commission of any act subject to disciplinary action and may not occur on the day of a random drug or alcohol test.
2. Such leave of absence shall be granted on a one-time basis and shall be for a maximum of ninety (90) days, unless extended by mutual agreement. This leave will be provided under the conditions set forth in the Family and Medical Leave Act and/or personal leave of absence policy.
3. Employees requesting to return to work from a leave of absence for drug or alcohol use shall be required to submit to future random drug and/or alcohol testing for up to 60 months. Failure to do so will subject the employee to discipline including discharge without the receipt of a prior warning letter.
4. The provisions of this Section shall not apply to probationary employees.
5. Any other costs not covered by the insurance carrier will be the responsibility of the employee.

Employee Assistance Program (EAP)

As part of its commitment to provide safe conditions to the public and its employees, the Company maintains an EAP through Lytle EAP Partners, a division of the The Lytle Corporation. This program provides information, resources and counseling concerning the effects and consequences of alcohol and drug use on an individual's health, work, and personal life and information on the signs and symptoms of an alcohol or drug problem.

Conscientious efforts to seek help through the Employee Assistance Program will be held in the strictest confidence and will not jeopardize any employee's job or future advancement.

In addition, the EAP provides referral services to employees and their families seeking help with problems resulting from alcohol misuse and drug use.

Rehabilitation Self-Referrals

An employee who recognizes that he/she may have or is developing a drug or alcohol problem may seek voluntary assistance through the Employee Assistance Program. Voluntary participation in the EAP or a rehabilitation program may not be used to circumvent disciplinary action, nor can the enrollment in the rehabilitation program be made on the day of a drug or alcohol test. Continued employment following rehabilitation is conditional upon satisfactory completion of the rehabilitation program and the Company's after-care program, including the Company's mandated Return-To-Duty and Follow-Up testing along with evaluation and certification by the Company's Substance Abuse Professional before returning to work. All costs associated with any further rehabilitation or treatment program that is not part of the EAP shall be paid for by the employee, if it is not covered under the Company's insurance policy. Employees who submit to Voluntary Rehabilitation Program will be entitled to the same programs and benefits previously listed for anyone failing a drug or alcohol test.