



EMPLOYEE HANDBOOK



Revised: January 2012

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1 Purpose

This Employee Handbook (the “Handbook”) is designed to acquaint you, the new and/or existing employee, with Elmwood Convenience Store (“ECS” or “the Company”), and provide information about working conditions, employee benefits and policies affecting employment. You are required to read, understand and comply with all provisions of the Handbook. It describes many of the employee's responsibilities and outlines the programs developed by ECS to benefit their employees. One of the Company's objectives is to provide a work environment that is conducive to both personal and professional growth.

2 Elmwood Convenience Store Overview

It is the policy of ECS to provide excellent customer service while serving the needs of our customers to the fullest of our capabilities and in an efficient and business-like manner.

3 Equal Employment Opportunity Statement

It is the policy of ECS to afford equal opportunity for employment to all individuals regardless of race, creed, color, religion, national origin, sex, disability, age, marital status, sexual orientation, status with regard to public assistance, or any other protected status in accordance with applicable federal, state or local laws.

This policy governs all areas of employment at the Company. The Company is committed to providing equal employment opportunities and treatment for all employees and job applicants. All recruitment, selection, placement, training, promotions, discipline, layoff and termination decisions made by ECS will be based solely on the job-related qualifications and abilities of candidates, except where sex or age are bona fide occupational qualifications.

The Company's commitment to equal employment opportunity extends to providing reasonable accommodations for otherwise qualified employees and applicants with

disabilities, in accordance with the Americans with Disabilities Act.

Any employee who feels that he or she has experienced illegal discrimination in connection with his or her employment should follow the complaint procedure detailed later in this handbook.

4 Introduction

The Employee Handbook communicates the personnel policies of this company and was designed to:

- Reflect the business philosophy of our company
- Set positive standards for behavior
- Establish clear expectations for employees

4.1 How the Handbook can Help New Employees

Welcome to ECS! Your decision to work for this Company makes you part of a business and a way of doing things that we hope you will find exciting. Adjusting to your job can be as confusing as it is challenging. In the first few weeks of employment you will probably have many questions about various aspects of our business. The Handbook was designed to help you get acquainted with ECS, its policies, and how you can contribute to its continued success. If you have any question about any of the policies, please ask management.

4.2 Management

The operations of ECS are overseen by the Manager and Owner's Representative (the "Management"). Together, the Management make basic policy decisions. Hiring and firing decisions requires the approval of both officers of the Management team.

The Management's door is always open to all employees and their concern or ideas.

5 Your Job

5.1 Introductory Period

The introductory period (3 working months) is intended to give all new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. It is an opportunity for both you as a new employee and ECS to evaluate whether the job is a good fit for both. ECS will use this time period to appraise your capabilities, work habits and overall performance.

All new and rehired employees work on an introductory basis for the first 3 months after the date of hire. Any significant absence will automatically extend an introductory period by the length of the absence. If ECS determines that the designated introductory period does not allow sufficient time to thoroughly evaluate any employee's performance, the introductory period may be extended for a specified period. Upon satisfactory completion of the introductory period, employees enter the "regular" employment classification.

5.2 Performance Reviews

The Management observes your performance and communicates with you about your work. Among those factors evaluated are the quality and the quantity of your work, work habits, interpersonal relations, and adaptability to job conditions.

Where deficiencies exist, the evaluating manager may recommend corrective action and notify you accordingly. Management will discuss performance reviews with you at the end of the first 3 months and on a yearly basis. Reviews do not necessarily result in merit increases.

5.3 Comprehensive Background Check

The following information summarizes the Background Check Policy you received upon application for employment. It is included here for your reference:

5.3.1 Purpose

To ensure that ECS continues to provide a safe and secure environment for employees, customers, and vendors.

5.3.2 Policy

ECS will conduct a criminal background check on all new employees.

5.3.3 Effective Date

January 12, 2012

5.3.4 Procedures

The following procedure will occur before an offer of employment is made to a prospective employee. The prospective employee is under no obligation to consent to a comprehensive background check. However, if the prospective employee does not agree to a background check, no offer of employment will be made.

A. *Securing Consent.* Management will provide a consent form to the prospective employee and ask that it be completed and returned within 48 hours to ECS.

B. *Conducting a Social Security Number Validation and Trace.* As part of a complete background check, Management will carry out a social security number validation and trace.

C. *Conducting a Complete Employment Verification.* Management will verify employment for the last seven years.

D. *Conducting a Form I-9 and E-Verify Check.* ECS will verify a prospective employee's eligibility to work using the Employment Eligibility Verification Form I-9.

E. *Conducting a Complete Criminal Background Check.* ECS will carry out a criminal background search including but not limited to county, state, and national records check. A criminal background does not necessarily exclude a prospective employee from gaining employment with ECS.

5.3.5 Notification

When all searches have returned with satisfactory results, ECS will make the offer of employment to the prospective employee.

5.4 Employee Problem Solving Procedures

If you have a problem, complaint, or question related to your job, you should discuss the problem openly and candidly with Management. In most instances, problems and questions can be most effectively resolved when the people closest to the problem are directly involved with the solution.

6 Pay and Benefits

6.1 Pay Days

All employees are paid on a bi-weekly schedule. Each paycheck will include earnings for work performed through the end of the payroll period.

Hourly employees are paid for only the hours they work. If they are absent from work any day of the pay period they will not receive pay for that day.

Employee wages are considered confidential. You must not discuss any aspect of your wages with co-workers.

6.2 Employment Categories

All regular employees at ECS are considered part-time employees, however, if any employee works more than 40 hours per week (Sunday through Saturday), overtime pay or compensation for time off with pay, will be considered, as provided by Federal Laws.

Part-time employees are those who are not assigned to a temporary or introductory

status and who are regularly scheduled to work less than the full-time work schedule of 40 or more hours per week.

6.3 Hours of Work

ECS is open for business 7 days a week with hours to be determined by the Management for winter and summer hours. A schedule of your regular work hours will be established on the basis of the needs of ECS and in regard to fairness to all employees. It is important that all employees report to work on time and be ready to work promptly at the starting time and work on the job until the end of their work period. See Attendance and Punctuality section.

6.4 Time Keeping for Payroll

The work hours of hourly employees are recorded by means of a time clock on a time card or on a computer timekeeping program. It is important that care be exercised in using the time clock and time cards. You are responsible for making sure your time is recorded accurately. If you find any errors, contact the Management immediately. You must record only your own time, never the time of another employee, unless approved by the employee and Management. Deliberate falsification of time records for yourself or any other employee that results in an overpayment of wages will be considered theft. Disciplinary action will be taken up to and including termination of employment.

6.5 Overtime

You are to work overtime only at the request and authorization of your supervisor. Only hourly employees qualify for overtime pay. Hourly employees are entitled to overtime compensation for work over 40 hours per workweek.

Overtime pay is based on hours worked per workweek in accordance with state and federal requirements. Employees shall record all time worked, including hours worked over their normal schedule, on the time card or computer at the time it actually

occurs. Overtime hours worked in excess of forty hours in a workweek, and have been approved, will be paid at one and a half times your base rate of pay per hour. Hours worked means time actually spent on the job. It does not include hours away from work due to vacation, sickness, or holidays, even when these days are compensated. Unpaid sick leave, personal leave or any other time away from work is also not considered hours worked. Management reserves the option to give compensated time rather than overtime cash wages.

6.6 Mandatory Meetings

Special meetings will occasionally be held to update employee skills and knowledge. Management will inform employees in advance of scheduled mandatory meetings. Employees who do not attend mandatory meetings will be in violation of this policy and are subject to disciplinary action up to and including termination. Employees will be paid for attending.

6.7 Reduction in Workforce – Layoff

Circumstances such as a slow-down of business may make a reduction in working hours or layoff necessary. When required, notice of layoff will be provided pursuant to applicable federal and state statutes.

6.8 Payroll Deductions

ECS will make the required deductions from your earnings on your behalf. Amounts withheld may vary according to how much you earn, your marital status, government employment regulations, and other factors. Mandated withholdings include federal, state and local income taxes and, if any, social security and Medicare taxes.

In addition to standard payroll deductions, we are required by law to comply with certain court orders, liens, or wage assignments and make payroll deduction pursuant to those orders.

6.9 Personnel Records

ECS is the official keeper of employee records. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of ECS. Access to the information they contain is restricted. Generally, only Management personnel who have a legitimate reason to review information in a file are allowed to do so.

With reasonable advance notice, employees may review their own personnel files.

6.10 Personal Data Changes

It is the employee's responsibility to notify their supervisor if there is a change in the employee's personal information such as change of address, number of dependents, marital status, exemptions, emergency contact, etc.

6.11 Jury Duty

If summoned, employees are encouraged to serve on Jury Duty. However, to reduce interruptions caused by an absence, employees are required to promptly report to the Management when they have received a summons for Jury Duty. Arrangements will be made by Management for approving the absence.

All employees will receive time-off with pay for up to 10 days to fulfill this obligation. The amount of pay the employee receives will be their regular rate of pay "minus" any jury pay received. Employees are required to submit evidence of jury duty pay to the Management so accurate payment of wages can be determined.

6.12 Bereavement Leave

The death of an employee's family member may warrant special consideration of paid absence from work.

For the death of an immediate family member, employees who have been employed for at least 12 months of continuous service, will be granted up to 3 days of paid leave. Immediate family is defined as the employee's spouse, parent, child, sibling, in-laws, and grandparents. In the event of the death of other family members, aunts, uncles, cousins, nieces or nephews, employees will be granted one day of paid leave. Employees who have been employed less than 12 months may request unpaid time off. Employees who wish to be considered for funeral leave should notify Management.

Bereavement pay is calculated based on the pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, shift differentials or holiday pay. If the day to be taken off is already scheduled, the employee will be paid relevant daily pay (the rate the employee would ordinarily be paid on the day leave is taken). If the day to be taken has not been scheduled, the employee will be paid average daily pay. Compensation is made during the normal pay cycle.

6.13 Holidays

ECS will grant holiday pay only to those employees that are scheduled to work the holiday if the store is open. Paid holidays are as follows:

- New Year's Day (January 1)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Thanksgiving Day (fourth Thursday in November) – usually open $\frac{1}{2}$ day

Paid holiday time will not be counted as hours worked for the purposes of determining overtime pay. Holiday pay is equal to the base rate of pay times one and a half.

To receive holiday pay, employees must work their last scheduled day immediately preceding and the first scheduled day immediately following the holiday unless the absence was pre-approved by Management or the employee can verify that he/she

was ill or injured on the date of the absence.

6.14 Sick Leave

ECS does not recognize paid time off for sick leave. If an employee finds that he/she is unable to work on any given day due to sickness, the employee is responsible for finding someone to work in their place. If unsuccessful in finding a replacement, please contact the Management.

7 Leaves of Absence

7.1 Family and Medical Leave of Absence

Family or Medical leave of absence is an unpaid leave of absence available to eligible employees for up to 12 work weeks in any 12-month period. The 12-month period is a rolling 12-month period measured from the date an employee uses any leave under this policy. Leave may be taken for the following reasons:

7.1.1 Family Leave.

- The birth of the employee's child.
- The placement of a child with the employee for adoption or foster care.

7.1.2 Medical Leave.

- When the employee is needed to care for a child, spouse, or parent who has a serious health condition.

7.1.3 Serious Health Condition.

A serious health condition includes an illness, injury, impairment, physical or mental condition that involves one or more of the following:

- A period of incapacity or treatment connected with inpatient care;
- Continuing treatment by a health care provider that involves a period of incapacity of more than three (3) days; and any subsequent treatment or period

of incapacity relating to the same condition that also involves treatment two (2) or more times; or one treatment by a health care provider which results in a regimen of continuing treatment;

- Pregnancy or prenatal care;
- A chronic serious health condition, which continues over an extended period of time, requires periodic visits to a health care provider or may cause episodic periods of incapacity;
- A permanent or long term condition for which treatment may not be effective;
- Absences due to multiple treatments for restorative surgery of or for a condition that would likely result in a period of incapacity of more than three (3) consecutive days if not treated.

7.1.4 Eligibility.

Employees, whether full or part-time, who have been employed by ECS for at least 12 months and have worked at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave are eligible for leave under this policy.

7.1.5 Amount of Leave.

Eligible employees are entitled to up to 12 work weeks of leave without pay in any 12-month period (defined above) when leave is taken for one or more of the reasons set forth above.

7.1.6 Notice and Procedure for Requesting Leave.

When the need for leave is foreseeable because of the birth, adoption or placement of a child or because of a planned medical treatment, the employee must provide at least 30 days advance notice and make efforts to schedule leave so as not to disrupt Company operations. Foreseeable leave may be denied or postponed if the employee does not give at least 30 days notice. If circumstances require the leave begin in less than 30 days, the employee must notify Management as soon as it is possible.

7.1.7 Company Responsibility to Grant Leave.

ECS will examine all leave of absence requests and, based upon information given, either deny or allow the leave. In situations where there are fewer than 15 employees, the company may not be required to grant leave under this policy. Additionally, some leaves requested under this policy will not fall under the FMLA. The Company will, in its sole discretion, decide whether to grant a "general leave" of a specified duration when FMLA leave is not available or is denied.

In the event the employee elects not to return to work upon completion of a Family or Medical leave, the Company may deny reinstatement of employment to the employee on Family or Medical leave.

This policy is meant to conform to the Family Medical Leave Act of 1993 and its regulations, as amended. Specific terms, requirements or limitations of this policy can be found in, and the company may rely upon, the Federal Regulations interpreting the FMLA and this policy.

7.1.8 Military Leave.

If you are obligated to serve in the United States military or state militia, you will be given the necessary time off, without pay, to fulfill this obligation and will retain all of your rights to current employment under existing laws. The Company will comply with all applicable federal and state laws, including the Uniformed Services Employment and Employment Rights Act of 1994, in regard to military leaves of absence.

8 Job Performance and Work Responsibility

You are expected to maintain an acceptable amount, quality, and timeliness of completed work and to perform the work assigned to your shift. Any action or behavior that is disruptive to the performance of fellow employees is prohibited.

You are expected to work all hours for which you are paid. Loitering, engaging in unauthorized or excessive visiting, or sleeping during work time is prohibited and may result in disciplinary action up to and including termination of employment.

8.1 Sexual Harassment Policy

It is the policy of ECS to provide a workplace free of harassment, intimidation or coercion based upon a person's sex, race, color, creed, religion, national origin, marital status, age, disability or status with regard to public assistance.

Such harassment violates the law, creates an offensive work environment, decreases productivity, adversely affects positive working relationships, increases costs to the Company and tarnishes the image of the Company and everyone associated with it.

If investigation of a complaint of harassment produces evidence that such harassment has occurred, appropriate disciplinary action, up to and including termination of employment, will be taken.

8.1.1 Prohibited Harassment

No employee of ECS may engage in verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of that person's sex, race, color, creed, religion, national origin, marital status, age, disability or status with regard to public assistance, (Protected classifications), if the conduct:

A. Has the purpose or effect of unreasonably interfering with the person's work performance; or

B. Otherwise adversely affects that person's employment opportunities.

The following are examples of prohibited harassment. Please note that these are not the only examples. If an employee has a question about whether conduct is permissible under this policy, he/she should discuss it with management.

A. Epithets, slurs or negative stereotypes;

B. Intimidating or hostile acts based upon protected classification;

Written or graphic material that denigrates or shows hostility or aversion to persons of a protected classification and that is posted or circulated on company property.

8.1.2 Sexual Harassment

One form of prohibited harassment is sexual harassment. Sexual harassment of any employee by another employee, manager, customer or any other person in connection with employment will not be tolerated. Sexual harassment is defined as:

A. Making unwelcome sexual advances or requests for sexual favors or other verbal or physical conduct of a sexual nature a condition of an employee's obtaining employment or continuing employment; or

B. Making submission to or rejection of such conduct the basis for employment decisions affecting an employee; or

C. Creating an intimidating, hostile or offensive working environment or otherwise substantially interfering with an individual's employment by such conduct; Retaliating against an employee for complaining about such conduct.

D. The following are some examples of, but are not limited to, conduct which may be found to be sexual harassment;

- Unwelcome sexual flirtations, advances or propositions;
- verbal abuse of a sexual nature;
- objectionable physical proximity or contact;
- subtle pressure or requests for sexual activities;
- unnecessary touching of an individual;
- unwelcome suggestions regarding, or invitations to, social engagements or work-related social engagements;
- graphic or verbal commentaries about an individual's body;
- sexually degrading words to describe an individual;
- deliberate or careless distribution or display of pictures, articles, etc., which have a sexual content and are not necessary for our work, to an employee who may find such materials offensive;
- sexually explicit or offensive jokes or remarks to or in the presence of an employee who may find such jokes or remarks offensive; and/or
- or other sexually oriented speech or conduct which unreasonably interferes

with an individual's work or creates a hostile or intimidating work environment.

8.1.3 Complaint Procedure

Any employee who feels that he/she has experienced illegal harassment in connection with his/her employment should contact management immediately.

8.1.4 Workplace Violence

ECS complies with, and supports the language and spirit of laws as they relate to the safety and health of employees and customers. The workplace violence policy includes the recognition that a place of employment safe from the fear of violence is essential to the health and well-being of both employees and customers alike. The company hereby affirms its policy that its employees should work in an environment that is free from physical attack, threats, and other menacing and harassing behaviors.

8.1.5 Prohibited Conduct

For purposes of this policy, violence is defined as unwanted or hostile physical contact or threats of such conduct.

A. Physical attack is an unwanted or hostile physical contact such as hitting, fighting, pushing, shoving or throwing objects.

B. Threat is the expression of a present or future intent to cause physical or mental harm. An expression constitutes a threat without regard to whether the party communicating has the present ability to do harm and without regard to whether the expression is contingent, conditional or future.

C. Harassment is behavior or communication designed or intended to intimidate, menace, or frighten another person.

D. Property damage is behavior or acts that contribute to the destruction, defacing or damage of private property.

8.1.6 Complaint Procedure

Any employee who feels that he/she has experienced violence and/or threats or violence in connection with his/her employment, or feels that he/she is a victim of illegal discrimination, sexual or other illegal harassment should contact management immediately.

A. Complaints of discrimination, prohibited harassment, violence, or threats, and other prohibited conduct will be taken seriously and investigated in a timely and appropriate manner. Every effort will be made to investigate all such allegations in as confidential a manner as possible. The Company's obligation to investigate will generally include interviewing the accused offender. Only those individuals with a "need to know" will be involved in or informed of the investigation.

B. Any form of retaliation against an individual who reports or serves as a witness to illegal discrimination, prohibited harassment, violence or threats will not be tolerated.

C. Any employee who is determined, after an investigation, to have engaged in illegal discrimination, prohibited harassment, threats or violence, or other inappropriate behavior, including retaliation as discussed above, in violation of this policy, will be subject to appropriate disciplinary action, up to and including termination of employment.

8.2 Personal Appearance

Dress, grooming and personal cleanliness standards contribute to the morale of all employees and affect the business image ECS presents to customers and visitors.

During business hours, employees are expected to present a clean, tasteful and neat appearance, and to dress according to the requirement of their positions.

Inappropriate dress includes but is not limited to the following:

Tank tops, spaghetti strap shirts without something over or under them, cut off or fringed shorts, shorts more than 4 or 5 inches above the knee, midriff tops, tube tops, etc. At no time should underclothing be visible in overall appearance. If you have a

question about appropriate dress, please ask.

Appropriate dress includes but is not limited to the following:

Jeans (must be in tasteful condition, no holes, etc.), Capri pants, shorts just above the knee, tops that have a cover-up over them, sweatshirts, button-up polo shirts.

T-shirts are acceptable if they are in presentable condition: fairly new with no holes, tears, or obvious wearing; no dinginess or graying; and if sporting a graphic, that the graphic is tasteful and non-offensive.

Use appropriate hygiene and cleanliness. No excessive perfumes or scents. Jewelry should be tasteful and not interfere with the performance of your duties. No offensive jewelry, piercings, etc.

If your appearance does not comply with the above standards, you will be asked to go home and fix the problem.

If you have a question on appropriate dress, please ask.

8.3 Customer Service

The building and facilities are to be kept as clean as possible. Throughout the day, keep all rubbish, bottles, cups, etc., picked up. Floors, shelves, and furniture should be swept and dusted. All employees are expected to follow the task lists outlined for both opening and closing procedures.

Customers do not have to shop here; we have to make them want to come back. Our jobs depend upon their continued support. Always greet people cheerfully and with a smile when entering *and* leaving, and *always acknowledge their presence, even if you cannot serve them immediately.*

Inappropriate conduct includes but is not limited to the following:

- Loud and unruly behavior;
- Sleeping;

- Vulgarity;
- Using cell phones when customers are present;
- Texting when customers are present;
- Personal use of Company phone and computer;
- Sitting on drawers, tables, counters, etc.
- Placing feet on tables; and,
- Continuing to phone and/or text when a customer enters the business.

All employees are personal representatives of ECS, so treat people as you would have them treat you. SERVICE to our customers should be each employee's number one priority.

8.4 Breaks and Meals

The primary purpose of our jobs is to provide good service to our customers. Therefore, breaks must be coordinated in such a manner as to ensure that service to our customers will not be disrupted. As an employee of ECS, you are allowed 20 minutes for your break. You can decide for yourself what is the best for you. You are allowed to take the whole 20 minutes at one time, two (2) 10-minute breaks or four (4) five-minute breaks. Overstaying breaks and lunch is a violation of the Attendance and Punctuality policy and will not be allowed. Breaks should not exceed the 20 minutes allowed and may only be taken by one (1) employee at a time. You may in addition to your 20 minute break take 10 minutes to eat lunch or dinner. Do not exceed the 10 minutes for lunch.

As an employee of ECS, you are allowed to purchase Deli items at 1/2 price. These items are for you only, no family member can take advantage of the 1/2 price Deli item. You are eligible for this 1/2 price Deli item only when you are working your shift. Any other time you will be considered a customer and pay full price. You shall also be aware that when you are not working, only the persons working can make your food that you order outside of your shift.

8.5 Attendance and Punctuality

To maintain a safe and productive work environment, ECS expects employees to be

reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on the other employees of ECS. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify management as soon as possible. Each employee is responsible to find a replacement for his/her shift if unable to work as scheduled. If no other employee is available, you must contact the management immediately. As an employee, you are responsible to know what your weekly work schedule is. All employees should be responsible and call in each week if you do not know or if a schedule was not available the last day worked.

Employees must return to their work promptly after their break and meal periods. Returning to work late from a break or meal period is not allowed.

Poor attendance and tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

8.6 Absence Reporting

When you know or anticipate you will be absent for any reason, please let management know as soon as possible, preferably the day before or prior to the start of the shift and state the reason for absence. Leaving a message with another employee, voice mail, text message or e-mail is not sufficient, please let management know also.

8.7 Tardiness

Inappropriate or non-productive use of time contributes to increased operating expense and reduced customer service. All employees are expected to be at work on time, which means being at their designated work area at the scheduled starting time, including scheduled overtime hours. Employees are also expected to abide by time limits for breaks as determined. Tardiness is an attendance violation and may result in disciplinary action up to and including termination of employment.

8.8 Confidential Information

Information about the work-site employer, its customers, or employees should not be

divulged to anyone other than persons who have a right to know, or are authorized to receive such information. When in doubt as to whether certain information is or is not confidential, prudence dictates that no disclosure be provided without first clearly establishing that such disclosure has been authorized by appropriate management personnel. This basic policy of caution and discretion in handling of confidential information extends to both external and internal disclosure.

Confidential information obtained as a result of your employment is not to be used by you for the purpose of furthering any private interest, or as a means of making personal gains. Use or disclosure of such information can result in civil or criminal penalties.

8.9 Sales

The policies in this section shall apply to all personnel, regardless of their responsibility.

8.9.1 Employees

When making a personal sale (including gas) another employee will complete and/or initial the receipt. For your protection, another employee should verify all cash payments.

All employee tabs should be paid on a weekly basis and shall be verified by another employee at time of payment. Once paid, please make sure that a copy of the tab and receipt are included in the daily shift change bag.

8.9.2 Customers

When making sales to customers, any item that is to be rung in manually will need to be paid close attention to. All items that come out of the Deli need to be rung in under the Deli key, all gas needs to be rung in under the gas key, all fountain items need to be rung in under the fountain key, etc. When items are rung in under the incorrect key that may cause reports to be wrong.

8.10 Handling of Company Cash

All change will be counted twice, once to yourself and once to the customer when handing change back.

Money being received (cash or check) shall be repeated to the customer before putting in the drawer and the customer is satisfied that the proper change has been received back.

The cash drawer will be closed after all transactions.

8.11 Receiving Checks

Customers may write checks for the amount of the purchase. It will be allowed that they may write a check for \$20 dollars only over the amount of purchase. Do not accept checks from those listed on the back counter in the NSF notebook at any time unless management approves.

The current check acceptance policy states that only checks from residents of the Elmwood–Murdock area are accepted.

When accepting a check from a customer, whether you know them or not, please make sure the following information is on that check:

- Name
- Address
- Phone number – this is very important – without a number our agency can not make contact
- Driver's license number
- Date of birth
- Date of expiration

Do not hesitate to clear such checks through the management when you feel such action is warranted.

8.12 Sales of Alcohol

ECS is in the process of acquiring the necessary permits in order to sell alcohol. When this process is finished, all employees must comply with Nebraska State Law and the rules set forth by ECS regarding sales of alcohol to customers.

The minimum drinking age is 21, and all employees must check the customer's identification to make sure that they are 21 years of age or older before selling alcohol to the customer. Selling alcohol to minors is violation and state law and ECS rules.

8.12.1 Employee Age Requirement

You must be at least 19 years of age before you as an employee can sell alcohol. If you have not reached this age and a customer presents alcohol to you as a purchase, you must call a coworker to the register in order to ring up the purchase. There should always be at least one employee in the store available to check out alcohol customers. If there is not, please notify Becky Callaway, Jim Nelson, or Debra or John McNaught immediately.

8.12.2 Underage Purchasers (Minors)

ECS requires that all employees check the identification of everyone who looks to be under the age of 30 that wishes to purchase alcohol.

Forms of identification that are accepted are as follows:

- Valid Driver's License
- Valid State ID Card
- Valid Passport
- Valid Military ID
- Valid Permanent Resident Card (formerly called Resident Alien Card)

All identification must have a recent picture that looks like the customer on their I.D. No other form of identification than those listed above is acceptable.

If you suspect that an underage individual has provided you with a fake I.D., you

should do the following:

- Call law enforcement
- Keep the I.D., if you can, until you authorities arrive
- You will be allowed to testify in court (if you desire)

It is also illegal and against ECS rules to sell to a person of legal age who you suspect of purchasing alcohol for underage individuals. If you suspect that a customer is making such a purchase, refuse to sell the alcohol to them. (See alternatives below),

8.12.3 Incapacitated Purchasers

State law also requires that ECS refuse sales to incapacitated persons. Customers covered under this category are:

- Visibly intoxicated individuals
- Mentally incapacitated individuals
- Individuals incapacitated by drugs

Some indications that a person is incapacitated are as follows:

- Problems with balance, inability to maintain balance (things like stumbling, staggering gait, bumping into furniture while walking, falling against the wall or off a chair, placing their head on the counter or tabletop)
- Ineffective muscular coordination, (things like spilling and/or knocking items over, unable to pick up change, etc.)
- Strong smell of alcohol
- Slurred speech, thick tongue, uncontrollable voice pitch, or muttering
- Bloodshot and/or glassy eyes, flushed face
- Condition of clothing or hairs, disheveled appearance, messy hair, unzipped clothes
- Unusual behavior (things like vomiting, profanity, hiccups, fighting, loud, boisterous, obnoxious behavior)

8.12.4 Alternatives to Offer when Refusing Alcohol Sales

Be firm but cordial when refusing to make the sale of alcohol to the above referenced individuals. Some alternative actions you can use are listed as follows:

- Offer the customer an alternative beverage

- Offer the customer food
- Offer to find other arrangements for a safe ride home
- Ask the intoxicated customer to leave

8.12.5 *Drinking on the Premises*

ECS also does not allow drinking on the property. If someone is drinking inside the store, ask them to leave the premises. If someone is drinking outside while on the property belonging to ECS, call Debra or John McNaught, Jim Nelson, or law enforcement (911).

8.13 **Emergency Closings**

At times, emergencies such as severe weather, fire, power failures, or the like can disrupt company operations. In extreme cases, these circumstances may require closing the work facility.

If and when the decision to close is made, all employees will receive notice from the management. When the decision to close is made, any employee that was already at work at the time of closing will be paid for those hours they were at work. In cases where a closing is not authorized, employees who fail to report for work will not be paid for any time off.

8.14 **Employee Conduct and Work Rules**

To ensure orderly operations and provide the best possible work environment, ECS expects employees to follow rules of conduct that will protect the interests and safety of all employees and the company.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of property (this includes and is not limited to any store products, cigarettes, Deli, etc.)
- Falsification of timekeeping records

- Working under the influence of alcohol or illegal drugs
- Possession, distribution, sale, transfer or use of alcohol or illegal drugs in the workplace, while on duty, or while operating any employer owned equipment
- Fighting or threatening violence in the workplace
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Smoking in prohibited areas
- Sexual or other unlawful or unwelcome harassment
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Excessive absenteeism or any absence without notice
- Unauthorized absence from work station during the work shift
- Unauthorized use of telephones, mail system, or other employer-owned equipment
- Unauthorized disclosure of business "secrets" or confidential information
- Violation of personnel policies
- Unsatisfactory performance or conduct

8.15 Fraud

ECS considers any form of fraud or dishonesty on the part of its employees as unacceptable conduct and grounds for immediate termination. Acts which are considered to be either fraudulent or dishonest include, but are not limited to;

- Manipulation of daily shift reports, documents, computer records and customer records/credit cards
- Theft of any kind, including stealing cash or merchandise
- Check Deception
- Forgeries (checks, credit cards, etc.)
- Manipulation of inventories
- Intentional violation of the company's rules, internal controls, regulations or procedures.

Employees of ECS will not participate in fraudulent or dishonest activities of any kind while employed.

8.16 Safety

All accidents, including those resulting in injury, must be reported to management immediately. Failure to properly notify management of any job-related illness or injury could jeopardize your worker's compensation claim. Always notify your manager promptly of any job-related accident or injury to you or to any of your teammates. In all cases, do this on the day the accident occurs; never wait until the next day!

Falsely stating or making claims of injury may subject you to criminal prosecution for filing a fraudulent workers' compensation claim. If you know of someone who has committed this fraud, let management know. Your call will be handled confidentially.

Each employee must:

- Dress accordingly to job
- Comply with safety policies and management instructions
- Report unsafe conditions or equipment
- Report all injuries and "close calls" to management immediately
- Refrain from unsafe behavior or endangering other employees
- Ask questions when unsure of safe work procedures
- Use all safety equipment and devices provided for his/her protection
- Report activities occurring in the workplace when considered unsafe or illegal
- Do not jeopardize his/her safety through drug or alcohol use
- Demonstrate a positive verbal and visual example for other employees to follow

It is the policy of ECS to protect the safety and health of our employees and customers. It is further the policy of ECS that there is no job so important or urgent that it cannot be done safely. The safety of our employees is our number one concern, because our employees are the keys to the success of our company.

8.17 Smoking Policy

Smoking by employees is prohibited in the building at all times. Smoking is allowed on the outside of building only at the north or south end. Smoking is not allowed near gas pumps or other flammable materials. Do not smoke in the front or back of the building.

The company must conform to all state and local fire codes.

8.18 Weapons

Possession of dangerous or deadly weapons on work-site premises or off work-site premises while performing job-related duties is strictly prohibited.

8.19 Resignations

Employees have the right to end their employment with the company at any time, without reason, and without prior notice. It would be preferred, of course, if employees gave a two-week notice to allow the employer adequate time to make arrangement for replacements.

9 Drug Free Workplace Policy

9.1 Policy

ECS desires to provide a work environment free of the presence and effects of narcotics, illegal drugs, controlled substances, and alcohol. It is the policy of the Company that reasonable measures be taken to ensure that drug or alcohol abuse by employees on Company time does not jeopardize the safety of Company or personnel or operations, or the quality of Company services, or prevent Company employees from performing the essential functions of their jobs. These measures include prohibition of substance use on the job, drug and/or alcohol testing, and disciplinary action for employees who violate this policy.

9.2 Definitions

Job Applicant or Applicant means any individual who applies for work as an employee of the Company.

Employee means any individual who is employed by the Company.

9.3 Work Conditions and Rules

The following work rules and conditions have been established by the Company and apply to all applicants and employees:

9.3.1 Rules

The use, sale (including gift, transfer or barter), solicitation, possession, distribution, purchase, or transfer of narcotics, illegal drugs, controlled substances, intoxicants, drug-related paraphernalia, or alcohol while on the job at ECS or on the property is prohibited.

Conviction for the illegal sale or distribution of narcotics, drugs, or controlled substances both on and off Company property is prohibited and may/will be grounds for termination.

Being under the influence of alcohol, illegal or unperceived drugs, or intoxicants while performing Company business, regardless of the location is prohibited. Employees who appear to be impaired by their use of alcohol, illegal or unperceived drugs or intoxicants will be removed from the work-site.

9.3.2 Disciplinary Action

Employees and applicants who violate any of the above work rules, will be subject to disciplinary action up to and including immediate termination of employment.

9.3.3 Drug and Alcohol Testing

ECS may initiate a mandatory testing program for applicants before they can become an employee of ECS.

We also reserve the right to conduct mandatory employee drug testing. When mandatory testing is implemented, the testing will be conducted for all applicants of the job who are tendered a conditional offer of employment. Applicants will be required to submit to a test at the collection site chosen by the employer, and will be required to sign a consent agreement which will release the employer from liability. The conditional offer of employment will be withdrawn for an applicant who tests positive on a confirmatory test or refuses to submit to the requested testing. We will not discriminate against applicants for employment because of past abuse of drugs. It is the current abuse of drugs which prevents employees from properly performing their jobs and will not be tolerated.

Regulatory Requirements:

A. An individual may not be hired into a position unless the individual passes a drug test.

B. An employee may not be assigned to a position until the employee passes a drug test.

C. A pre-employment drug test may be administered only after the person to be tested is informed that the urine sample being collected will be tested for evidence of:

- Marijuana
- Cocaine
- Opiates
- Phencyclidine (PCP)
- Any other illegal or non-prescribed drug used for recreational purposes

Implementation Procedures:

A. All final selection of candidates will be sent to the collection site for testing before they can be considered for assigned position of employment.

B. If a candidate does not pass the test they are no longer considered a candidate for employment with ECS.

C. The employer will hire a candidate only when the Medical office has confirmation of negative test results.

D. Records will be retained for one year on all employees passing a pre-employment drug test. Records will be retained for five years on candidates not passing a pre-employment drug test.

Documentation:

A. A record of written notification requiring pre-employment testing for applicants.

B. A copy of all positive test results from the Medical Office for five years.

C. A copy of all negative test results from the Medical Office will be retained for one year.

Drug and/or Alcohol Testing of Employees:

1. Reasonable Suspicion Testing: The Company may require an Employee to undergo a drug and/or alcohol test if, in the company's opinion, there is a reasonable suspicion that the employee:

- Is under the influence of drugs or alcohol; or
- Has violated the above rules against use, possession, sale, or distribution of drugs or alcohol while on Company business or the Company premises or operating Company vehicles, machinery or equipment.

For the purposes of this policy, a reasonable suspicion of a manager will be used as the basis for a reasonable suspicion determination by the Company.

Right to Refuse to Undergo Drug and/or Alcohol Testing and the Consequences of Such Refusal:

1. Applicants: Any applicant may refuse to undergo testing under this policy. Refusal of testing or refusal to sign and deliver the consent form or to participate in or comply with the requirement of the drug and/or alcohol test will result in the withdrawal of the employment offer.

2. Employees: Employees who have been requested to undergo testing under this policy have the right to refuse to take the test. However, the employee's refusal of testing, refusal to sign and deliver the consent form, or to participate in or comply with the requirements of the drug and/or alcohol test may result in adverse personnel action up to and including termination of employment.

Procedures for Drug and Alcohol Testing and Rights of Employees and Applicants with Regard to Testing:

1. Every applicant and employee will be informed of the company's testing policy. Each applicant or employee will be requested to sign a consent form, prior to taking a drug and/or alcohol test.

2. The specimen for testing shall be collected at a medical laboratory, clinic or at any other collection site as permitted by applicable law. A laboratory shall conduct the alcohol and/or drug testing in accordance with good laboratory practices and state law, if applicable.

3. Whenever there is reason to suspect that a specimen has been altered, substituted, diluted, or contaminated, the applicant or employee shall return to a collection site and a second specimen shall be obtained as soon as possible. The applicant or employee may be required to produce the specimen under the direct observation of a same gender collection site person. Refusal to submit to a second specimen under these circumstances may result in adverse personnel action up to and including suspension without pay or termination of employment.

4. Any positive results from an initial screening test will be submitted to the laboratory for confirmatory testing.

5. The company will inform the applicant or employee of a negative test result on an initial screening or of a negative or positive test result on a confirmatory test and inform the applicant or employee that he/she may request a copy of the test report. Also, in the case of a positive test result on a confirmatory test, the company may notify the applicant or employee that he/she may submit further information to explain the result and/or request a confirmatory retest. Such additional information may include any over-the-counter or prescription medications that the individual is currently taking or has recently taken and any other information relevant to the reliability of, or explanation for, a positive test result.

6. Within three working days after receiving notice of the test result, the applicant or employee may submit further information to explain any positive test result.

7. Within five working days after receiving notice of a positive result, the applicant or employee may request a confirmatory retest of the original sample at the applicant's or employee's own expense. The applicant or employee must make such request to the company in writing. Within three working days after receiving that request, the company will notify the laboratory that the applicant or employee has requested it to conduct a confirmatory retest. If the confirmatory retest is negative, the company will take no adverse personnel action against the tested individual.

8. The applicant or employee must deliver the payment for the charge of the confirmatory retest to the company within 24 hours after the request, or the company has no obligation to honor the request.

Disciplinary or Adverse Personnel Action Based on Positive Confirmatory Test:

1. Applicants: if an applicant has received an employment offer made contingent on the applicant passing the drug and/or alcohol test, the company may revoke the offer based on a positive test result on a confirmatory test (where no retest is requested) or a confirmatory retest request and paid for by the applicant.

2. Employees: the Company may temporarily suspend without pay any employee who tests positive on an initial test, or reassign that person to another job if the company believes such action is reasonably necessary to protect the health or safety of the person tested, co-workers, or the public. Such suspension or transfer may last until the results of a confirmatory test are available or if the person tested requests a confirmatory retest, until the results of that test are available. An employee suspended without pay shall be reinstated with back pay if the results of the confirmatory test or confirmatory retest are negative.

3. The Company may terminate the employment of any employee whose confirmatory drug test or if applicable confirmatory retest is positive.

4. No disciplinary action will be taken on the basis of medical history information learned by the company as a result of a drug and/or alcohol test unless the person tested was under an affirmative obligation to provide such information to the company before, upon, or after hire and failed to do so. Such a failure will be treated as a falsification of an employment record and will be dealt with accordingly.

5. This policy does not limit the Company's right to discipline or discharge an employee on grounds other than a positive test result. For example, possession, use, or sale of a controlled substance on company premises may result in termination of employment.

9.4 Miscellaneous Provisions

9.4.1 Confidentiality

Except as required by law the company will not disclose test results and other information acquired in the drug and alcohol testing process to any third party without the written consent of the person tested.

9.4.2 Employee Files

An employee will be given access to information in their employee file relating to positive test result reports and other information acquired in the drug and/or alcohol testing process, and conclusions drawn from any actions taken based on the reports or other acquired information.

9.4.3 No Other Appeal Procedures

Except as otherwise noted in this policy or as provided by applicable state or federal law, there are no other appeal procedures available.

9.4.4 Company Responsibility

The company's managers are responsible for the interpretation and administration of this policy.

9.5 Disclaimer and Company Reservation of Rights

Except as required by law, company alcohol and drug policies and this drug and alcohol testing policy and the provisions thereof are not intended as and shall not be interpreted as a contract, agreement, or promise of continued employment. Except as required by law, the employment of each employee is at-will and may be terminated by the company or the employee at any time, with or without notice, and with or without cause or for no cause or reason. Further, the company reserves the right to amend, delete, change, or add to company alcohol and drug policies or this alcohol and drug testing policy, and all such amendment, deletions, changes, and additions shall be binding upon each applicant and employee then existing except that the alcohol and drug policies and this drug and alcohol testing policy shall at all times be interpreted in such manner as to include all requirements of law, including without limitation all provisions required to exist and apply to employees engaged in particular work or positions.

If random drug testing is enacted, employees will be notified of the method used to determine "random" individuals who will be tested, along with the list of individuals to be tested. The selection must include management employees as well.

10 Electronic Media Policy

Electronic media and services are business tools for the company where you work. This means employees are expected to use these resources for business-related purposes, e.g., to communicate with customers, to research relevant topics and obtain useful business information, etc. It is important that you conduct yourself honestly and appropriately while using these resources, and respect the copyrights, software licensing rules, property rights, privacy and prerogatives of others, just as you would in any other business dealings. All existing company policies apply to your resources, sexual harassment and confidentiality. Employees are expected to exhibit the same high level of ethical and business standards when using new technology as they do with more traditional workplace communication resources.

Electronic media and services provided by the company where you work are the company's property and are intended to be used for business purposes. Use of the company's electronic media and services for personal purposes is discouraged. Unnecessary or unauthorized use of these resources can slow other users, take away from work time, consume supplies and tie up printers and other shared resources.

The following policies relate to the responsible use of electronic services at the Company:

A. These resources are company property and are to be used solely for business purposes.

B. Personal long-distance phone calls are prohibited. Employees who have personal or confidential matters to communicate should not use company equipment to do so.

C. Do not use or distribute copyrighted software or information without proper authorization from the copyright holder.

D. Do not disclose any confidential or proprietary information.

E. Do not install unauthorized or non-business related programs on company

computers.

A violation of the provisions of this policy may result in disciplinary action up to, and including, termination of employment.

11 Handbook Amendment

The company may amend all or part of this employee handbook at anytime, to be effective not less than 10 days after notification to affected employees.

Effective Date of Handbook is January 12, 2012.

12 Acknowledgment

12.1 Elmwood Convenience Store (ECS) Handbook – Acknowledgment of Receipt

I acknowledge and understand the following with regard to the Handbook:

- That this Handbook (and any updates) is fully available to me at the following website: <http://elmwoodcstore.com>;
- That this Handbook contains important information about ECS;
- That it is my responsibility to read the Handbook and to abide by the rules, policies and standards set forth in it;
- That the Handbook presents information and guidance, and that it is not intended to be, nor should be viewed as, either an express or implied contract between ECS and me; and,
- That ECS reserves the right, in its sole and absolute discretion, to change, supplement or rescind all or any part of the policies described in this Handbook as it deems necessary, with or without prior notice.

I further acknowledge and understand the following with regard to my employment with ECS:

- That ECS maintains a policy of at-will employment with respect to both the duration, terms and conditions of employment.
- That ECS reserves the right to change the terms and conditions of the employment relationship or to terminate that relationship, at will, with or without cause or prior notice.

Employee's Signature

Date

Employee's Name (printed)

*** Please return this original signed document to Becky Callaway.*

Versions Page

Sensitivity: Low Medium High

Owner: Elmwood Convenience Store

Authorized Users: John McNaught, Debra McNaught, Jim Nelson, Monica Nelson

Editorial Information				
Author(s): Monica Nelson			Path:	
Version	Date	Notes	Authorized Signatures	Date
1	01/12/12			