



EMPLOYEE HANDBOOK

Revised January 2020

This handbook is intended for informational purposes only. Neither it, nor company policies, rules, practices or benefits, nor other communications create an employment contract or term of employment. This handbook does not contain all of the information you will need during the course of your employment. You may receive additional information through your supervisor or in other manuals or other documents. None of these create an employment contract or a term of employment.

Five Star Food Service (“Five Star” or the “Company”) management reviews policies, rules, and benefits from time to time. Accordingly, the policies, rules and benefits outlined in this handbook are subject to review, change, or elimination by Five Star management at any time, with or without notice.

THE CONTENTS OF THIS HANDBOOK DO NOT CONSTITUTE THE TERMS OF A CONTRACT OF EMPLOYMENT. NEITHER THE EMPLOYEE NOR THE COMPANY IS OBLIGATED TO CONTINUE THE EMPLOYMENT RELATIONSHIP AND EITHER MAY CHOOSE TO END THE EMPLOYMENT RELATIONSHIP, AT ANY TIME, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. ALL EMPLOYMENT RELATIONSHIPS WITH THE COMPANY ARE THEREFORE “AT WILL” UNLESS A SPECIFIC EMPLOYMENT CONTRACT EXISTS WITH A SPECIFIC EMPLOYEE AND AN OFFICER OF THE COMPANY HAS SIGNED SUCH CONTRACT OF BEHALF OF THE COMPANY.

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ELIGIBILITY

The Immigration Reform and Control Act of 1986 ("IRCA") prohibits employers from hiring persons who are not authorized to work in the United States. You are required to complete Section One of the Employment Eligibility Verification Form I-9 ("Form I-9"). You are required to present documents establishing your identity and employment authorization so we can complete the remainder of Form I-9. You are required to produce these documents for our inspection within three business days from the date your employment begins.

If your work authorization is limited in time, you will be asked to produce documentation showing that it has been extended upon its expiration.

EQUAL EMPLOYMENT OPPORTUNITY

Five Star Food Service administers all personnel actions, such as recruitment, hiring, training, promotion, transfer, compensation and benefits, discipline, termination of employment, and educational, social and recreational programs without regard to race, color, sex, religion, national origin, age, disability, genetic information, or other protected status under federal, state or local law. In addition, it is the Company's policy to provide an environment that is free of unlawful harassment with regard to these protected groups.

Any violation of the EEO policy will result in disciplinary action, up to and including discharge.

Five Star's Board of Directors and Officers support this policy in its entirety and expect every employee to give his or her continuing support to its implementation.

Any employee who believes that he or she has been discriminated against, harassed, or retaliated against at work should bring the problem or concern to the attention of the immediate supervisor, branch manager and/or the Human Resources Department. The Company will investigate the employee's concern and make every effort to resolve each complaint.

EMPLOYMENT AT WILL

This Employee Handbook is designed to acquaint you with Five Star Food Service and to give you a ready reference to answer many of your questions regarding your employment with us. The contents of this Employee Handbook constitute only a summary explanation of the employee benefits, company policies, and employment regulations in effect at the time of publication. This Employee Handbook is not to be construed as creating an employment contract or a guarantee of the benefits or policies in it. Although the regulations, policies and benefits outlined in this Employee Handbook generally will remain in

effect until changes are necessitated, Five Star may revoke or revise this Employee Handbook at any time, in part or in its entirety, with or without notice.

Employment and compensation can be terminated with or without cause, and with or without notice, at any time, at the option of Five Star or the employee. No manager or representative of Five Star other than the President has any authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the foregoing. Any such agreement must be in writing and signed by the President.

HIRING RELATIVES

It is the policy of Five Star Food Service that an individual not be hired and placed under the direct supervision of a relative related by blood, marriage or adoption. This policy also applies to personal relationships between employees which are deemed by Five Star to create a conflict of interest in the workplace. If a relative relationship (or a personal relationship creating the appearance of a conflict of interest) is established after employees are on staff, one of the employees will be reassigned or terminated at the determination of the department head or the supervisor, with the approval of the Human Resources Department. The failure to disclose a personal relationship under this policy, or the deliberate concealment of such a relationship, is grounds for disciplinary action, up to and including termination of employment.

INTRODUCTORY PERIOD

All new employees are hired on an introductory basis for the first ninety (90) days of employment. This period gives you the opportunity to become acquainted with your new role and to demonstrate competence regarding work duties while allowing Five Star Food Service an opportunity to evaluate your skills and conduct. If your performance or work-related conduct is not satisfactory during the introductory period, separation may take place without using corrective action procedures. In some instances, the introductory period may be extended to further the evaluation process. Some job-related benefits may not be available during the introductory period. Successful completion of your introductory period in no way alters the at will employment relationship you have with Five Star.

EMPLOYEE STATUS

A **full-time** employee is one who is regularly scheduled to work thirty (30) hours or more per week. This employee is eligible for all employee benefits, such as medical, life, holidays, paid vacation, leave of absence, and other benefits, subject to legal requirements and/or the terms of the individual benefit plans.

A **part-time** employee is one who regularly works less than thirty (30) hours per week. A full-time employee's status changes to part-time when the employee works less than thirty hours per week for a period of twelve (12) weeks. Additionally, an employee's status may change with a position change. While part-time employees receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are not eligible for paid vacation, holidays, or other benefits such as medical, dental and life insurance.

A **temporary** employee is one who is hired on a relief basis when needed, or for short-term employment, such as summer employment, or does not work on a regular weekly basis. While temporary employees receive all legally mandated benefits (such as Social Security or worker's compensation insurance) they are not eligible for paid vacation, holidays, or other benefits such as medical, dental, and life insurance.

An **exempt** employee is not entitled to overtime pay under federal and state wage laws. By contrast, a **non-exempt** employee is entitled to overtime pay of at least one and one-half (1½) times their regular rate of pay where they work more than 40 hours in any particular work week. An employee who is not classified as exempt is considered non-exempt.

PERFORMANCE REVIEWS

Supervisors generally will conduct performance reviews annually with all employees. In addition, supervisors will make every effort to communicate with employees as to their performance to acknowledge good performance and to assist in correcting any areas needing improvement. Five Star Food Service may choose not to conduct performance reviews or to change the timing of the reviews at its discretion.

At all times, employees who have questions about their jobs, the requirements of their job positions, or their job performance are encouraged to contact their immediate supervisor or Human Resources.

PAY INCREASES

Each year, the Company will determine, at its sole discretion, the financial resources available for pay increases. Pay increases are not guaranteed as a part of the performance review process or otherwise. If funds permit and job performance warrants, pay increases may be granted.

PROMOTIONS

Five Star endeavors to give qualified employees an opportunity to fill vacancies in the Company before hiring new employees.

Vacant job positions may be posted physically at local branch/dining locations and/or on the Five Star Food Service career website at www.fivestarfoodservice.com. As appropriate under the circumstances, promotion decisions within a department may be made without advertising the job company-wide or externally.

Please contact your supervisor or the Human Resources Department if you have questions about a particular job vacancy or opportunity for promotion.

RESIGNATION

An employee whose performance is generally satisfactory and who chooses to resign is eligible for future employment, provided the employee gives at least two weeks' notice. Resignations must be provided in writing indicating the last day to be worked. Resigning employees will be paid through the last day worked and will receive their check on the next regular payday. An employee who leaves without giving a two-week notice generally will not be eligible for rehire and will not be paid remaining prorated and unused vacation.

Employees who comply with this policy will be paid for earned and unused vacation pay according to the vacation policy on a pro rata basis. For example, if an employee whose date of hire is Jan. 1 and who receives ten (10) vacation days per year resigns from his or her employment on June 30 (halfway through the year), the employee will be entitled to the payout of half of his or her vacation days (5), minus any vacation days actually taken by the employee prior to resignation.

Upon receiving a notice of resignation, Five Star reserves the right to send the employee home immediately, rather than permitting the employee to continue to work out a notice period under this policy.

Any employee who voluntarily resigns from the Company, is in good standing, gives proper notice and returns to Five Star to resume employment, will retain length of employment status, if the return to work for Five Star Food Service occurs within twelve months of the original termination date.

OPEN DOOR POLICY

Five Star is committed to respecting the individual dignity and rights of our employees. It is our policy to deal fairly, consistently, and respectfully with each employee as an individual. We believe that open discussion in a non-adversarial environment is the best way to decide matters that affect us all. We strongly believe that anything that interferes with an atmosphere of mutual respect, trust and consideration is contrary to our goals and our mission of public service.

Five Star Food Service encourages all employees to feel free to seek information and advice from members of management. Our doors are always open to discuss matters that may be of concern to you.

It is our feeling that the relationship between you and your supervisor is a very important one; one that should be open enough to resolve most concerns or questions. Therefore, we urge you initially to contact your supervisor and to discuss with him/her anything that is on your mind.

If your problem involves your supervisor, or you are not comfortable discussing the problem with your supervisor, you may bring it to the attention of the next level of supervisor or the Human Resources Department.

Should you still feel the need for further discussion, you have the option of discussing the matter in private with the next level of supervision, up to and including the President/CEO, or with the Human Resources Department.

No employee will be retaliated against for making his or her legitimate concerns known through Five Star's Open Door Policy.

CONDUCT HOTLINE

Five Star Food Service is committed to being an organization characterized by lawful, ethical, and respectful treatment of its employees, customers, and community. For this reason, we have long encouraged our team members to make their concerns known to us through our Open Door Policy. Whether these concerns relate to discrimination, harassment, retaliation, legal violations, ethical concerns, or any other matter, the doors of Five Star's senior management are always open.

We are committed to maintaining the highest standard of behavior in our workplace. If you experience or observe what you believe is inappropriate behavior and are unsure what to do, we hope you feel comfortable talking with Human Resources, or another member of Five Star's senior management team. As an alternative, use Five Star's Conduct Hotline:

1-888-5FRAUD1 (1-888-537-2831)

This hotline is a message center where you can leave information regarding possible violations of Company policy or the law. Please leave as much information as possible. If you would like someone to contact you directly, please leave your name with a phone number. This information will be forwarded to an appropriate Company official, usually the Vice President of Human Resources.

Five Star prohibits retaliation or threats of retaliation in any form against employees who have made a complaint in good faith.

PERSONNEL RECORDS

Keeping your records current is important to you and to the Company. If there is a change in your name, address or telephone number, dependents, or emergency contacts, please advise your supervisor and the Human Resources Department.

Employees may see any information in their personnel file in the presence of a member of the Human Resources Department.

Five Star will provide references only when the employee has signed a waiver to allow Five Star to give an outsider such information. The reference will be limited to dates of employment and positions held.

Personnel files are open only to personnel who have a business- related "need to know".

Personnel files are property of the Company. Employees will not be given copies of their personnel files unless state law provides otherwise. However, any document that is required to be signed by an employee may be copied and given to the employee at the employee's request at the time the document is signed.

HEALTH AND WELFARE BENEFITS

Five Star Food Service provides access to group health coverage for eligible employees. Information regarding the various plans for which you may be eligible will be provided to you upon hire. The terms of any insurance coverage may be revised from time to time, and the insurance plans can be terminated at any time by Five Star. If you have any questions regarding eligibility coverage or cost, please ask your supervisor.

Employees are eligible for benefits the first of the month following 60 days of employment. Benefit guidebooks are available at each location.

Some sections of this Employee Handbook may reference various Five Star benefit plans for which you may be eligible. Such references do not contain the entire terms of such plans. The complete terms of the plan are available through Human Resources. In the event of any conflict between references in this Employee Handbook and the plan documents, the provisions of the plan documents will govern.

COBRA

As provided under the federal Consolidated Omnibus Budget Reconciliation Act (“COBRA”), employees and their covered dependents are provided the opportunity to continue coverage under the Five Star Food Service Group Health Plan when a “qualifying event” would normally result in the loss of benefits. Some common qualifying events are resignation or termination of employment (for reasons other than gross misconduct), death of the employee, reduction in an employee’s hours, or a dependent who no longer meets eligibility requirements.

If you are covered by the Five Star Food Service Group Health Plan, you have the right to continue your coverage in the event of a qualifying event. Under COBRA, you or your dependent pays the full cost of coverage at the Company’s group rate plus an administrative fee.

You will be provided with written information describing rights and obligations under COBRA if you become eligible for COBRA coverage.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

Five Star offers an Employee Assistance Program (EAP) benefit for employees and their dependents. The EAP offers confidential assessment, referral and short-term one-on-one counseling with specialists who can assist with drug, alcohol or other personal problems for those who need or request it. Free legal counsel is also available in many cases to eligible employees or their immediate families.

Confidentiality is assured for personal problems that are taken to the EAP. No information regarding the nature of the personal problem will be made available to an employee’s supervisors, nor will it be included in the permanent personnel file.

Participation in the EAP will not affect an employee’s job, nor will it protect an employee from disciplinary action for substandard performance or other violations of Five Star policies or procedures. The EAP is a process used in conjunction with discipline, not a substitute for discipline. The EAP can be accessed by an employee through self-referral or by supervisory referral.

Please see the postings in the branch location for information on contacting the EAP. You may also call Human Resources. You do not have to give your name in order to get the EAP phone number from Human Resources.

CUSTOMER SERVICE

Five Star Food Service is dedicated to providing excellent customer service. Our industry is one of customer service. Our customers are our most important asset. Five Star Food Service will offer the same high quality of service to all regardless of age, race, religion, sex, nationality, educational background, physical limitations, or any criteria that may be a source of unlawful discrimination. Five Star expects all employees to treat our customers with respect and courtesy in all transactions.

- Treat each customer as important and special.
- Listen to the customer.
- Communicate with customers honestly, courteously, and knowledgeably.
- Do what is necessary to exceed the customer's expectations.
- Give prompt attention to every customer's needs.
- Provide follow-through for our customers promptly, responsibly, and efficiently.

Rudeness to customers will not be tolerated. Employees found to have treated a customer rudely will receive disciplinary action, up to and including termination.

TELEPHONES

Please answer your telephone promptly and courteously. When answering the telephone give the caller the department and **your name**.

Personal calls are to be kept to a minimum while on duty. Personal calls should be made or received during your meal or break time. This includes both company telephone lines and personal cell phones.

CELLULAR PHONE USE

Driving and Business Phone Use

Safety must come before all other concerns. Employees whose job responsibilities include driving must limit use of their cellular phone while driving. Employees should pull off to the side of the road and safely stop the vehicle before placing or accepting a call.

Furthermore, in all instances the Company prohibits employees from reviewing, drafting, sending, or reading text messages or e-mails while driving on Company business or while driving a Company vehicle.

CELLULAR PHONE USE CONTINUED:

Under no circumstances are employees allowed to place themselves or others at risk to fulfill business needs. If federal, state, or local laws provide more stringent guidelines regarding the use of cellular telephones in vehicles, those more stringent guidelines control. Drivers are prohibited from texting and are required to utilize a hands-free device when operating a motor vehicle (whether a company vehicle or personal vehicle) on company business.

Personal Use of Earphones, Bluetooth Devices, etc. in the Workplace

The use of hands-free devices (including Bluetooth devices, earphones, headphones, etc.) can have a negative impact on customer service, impair job performance, and cause safety concerns in the workplace. As such, except as otherwise approved by management (for example, use of a hands-free device to make telephone calls while operating an automobile on Company business), the use of personal listening devices (including earphones, Bluetooth, or other hands-free devices) is prohibited in the workplace, including customer locations. This includes the use of cell phones or personal listening devices while operating industrial equipment or otherwise performing job duties on behalf of the Company. This policy, however, does not preclude employees from utilizing personal listening devices while on approved break periods. If you have a question as to whether the use of a hands-free device may be appropriate in your job position, please contact your supervisor or Human Resources.

Use of Company-Provided Phones

Employees who are provided with company cellular phones to assist with the performance of their job duties should not incur or accept data charges for personal uses such as data streaming, mobile hotspots, etc., with respect to those phones or devices. Non-business-related applications (apps) should not be downloaded onto company phones or devices. Employees will be required to reimburse the Company for any incremental charges resulting from the personal use of company phones or devices. The violation of this policy may result in corrective action, up to and including termination.

Personal Cellular Phones/Personal Cellular Calls

While at work, employees are expected to exercise discretion in using personal cellular phones. At no time is a cellular phone to be used during customer interaction or in a manner which interferes with the employee's work responsibilities. In the discretion of management, employees in some job positions may be restricted from using personal devices during working time. In all cases, moreover, excessive personal calls and/or texting during the workday, regardless of the phone used, can interfere with productivity and be distracting to others. Except in cases of emergency, placing/accepting personal calls through the use of company equipment is prohibited.

CELLULAR PHONE USE CONTINUED:

The Company will not be liable for the loss of or any damage to personal cellular phones brought into the workplace. In addition, Five Star employees who are charged with traffic violations resulting from the use of their phone while driving will be solely responsible for all liabilities that result from such actions. Violations of this policy will subject an employee to discipline, up to and including termination.

DRESS CODE

As a member of the food service industry, Five Star is expected to adhere to high standards with respect to the dress and grooming of its employees. Each department has an approved dress code that describes the type of dress that is required. Employees are expected to maintain good personal grooming habits and a professional appearance. Employees must be clean and neat in appearance, and hair (including facial hair) must be neatly trimmed. Piercings shall be appropriately professional. Employees may be restricted from wearing jewelry, piercings other than earrings, etc. where deemed appropriate due to food service requirements, safety concerns, or customer requirements. Tattoos must be appropriate in content and in keeping with a professional image. As needed in order to maintain a professional, business-like appearance, employees may be required to cover tattoos. We ask that you NOT WEAR distracting, offensive, or revealing clothes. Any exception to the department dress code must be approved by the supervisor. Additional dress code requirements may exist for employees working on-site at customer locations.

It is very important that we maintain a professional image with our customers; therefore, uniform shirts will be provided to route, maintenance, dining service, commissary, and attended location employees. In some situations, hats/visors or jackets may be required and will be provided to employees. Employees are deemed to be representatives of Five Star at all times while wearing company uniforms. For that reason, use of uniforms for non-Company activities is prohibited. It is expected that employees will be in a clean, approved uniform shirt and approved trousers daily.

After the initial order, additional shirts and other uniform items may be ordered if necessary with the supervisor's approval. Additionally, any torn or damaged uniform shirts, etc. may be returned to Five Star for replacement garments. To receive a replacement order, the old shirts, etc. must be returned. Where appropriate and in accordance with applicable law, an employee may be required to pay for replacement uniform shirts and other uniform items, particularly where damage to company uniform shirts is caused by the negligence or abuse of the employee.

It is the employee's responsibility to maintain uniform shirts in a presentable fashion for work. If the employee wishes to purchase additional uniform shirts (above what is paid for by Five Star), he or she may purchase uniforms through the Company's supplier at the Company's pricing from the supplier.

In the event photo identification badges are provided, they must be worn in accordance with your division's requirements. Notify your supervisor immediately if your badge is lost. If the badge is lost, the replacement cost of the badge is the responsibility of the employee.

Employees who are hosting or attending meetings with clients, vendors, or employees from another Company should wear appropriate clothing, which may include business attire.

Employees who violate this policy may be asked to leave the workplace until they are properly attired and groomed. The violation of this policy may result in disciplinary action, up to and including termination of employment. Please contact your supervisor or Human Resources in advance if you have questions about this policy or its application in any particular situation.

CLEANLINESS

Sanitation is of primary concern in this Company. Interest in the cleanliness of your area and your own person is necessary. Not all employees wear a uniform, but the appearance of all employees should be neat, dignified, and in good taste. For this reason, all hair that is shoulder length or longer must be restrained properly while working around customer locations and food preparation or service areas. Facial hair must be neatly trimmed. In the discretion of management, beard nets may be required. Employees should take appropriate steps to ensure proper hygiene. Jewelry should be kept to a minimum, avoiding necklaces and earrings that dangle. Strong perfumes or colognes should be avoided. Associates are also expected to comply with applicable local, state, and federal health regulations. See your supervisor to confirm specific requirements for your job position.

PAY DAY

Employees are paid on Wednesdays, bi-weekly, i.e., every two weeks, as designated by division management. You will be informed regarding your division's pay schedule. It is the responsibility of employees to ensure that they are clocked in or written in properly.

Employees with questions about their paychecks, or employees who feel that an error has been made in calculating the amount of their paychecks, should contact their supervisor or the Payroll Department immediately.

ATTENDANCE EXPECTATIONS

Punctuality and regular and predictable attendance are essential functions of all Five Star Food Service jobs, and are a must if your department is to operate efficiently. Five Star expects all employees to report to work on time each scheduled work day, able to work safely and productively. Excessive lateness or absences may lead to discipline up to and including discharge.

Your immediate supervisor will advise you of the appropriate method(s) for providing notice of absences under this policy, such as personal telephone call, e- mail message, text message, etc. It is the employee's responsibility to personally contact his or her supervisor as soon as possible, and in any event, at least one hour in advance of any absence, except in situations where an emergency or similar circumstance prevents the employee from providing personal notice in a timely manner. Contacting a co-worker or someone else other than the employee's supervisor is not considered sufficient notice.

Illness that leads to an absence of more than one day may be required to be supported by documentation from a physician. Except as otherwise approved, if the employee is out for more than one day, the employee is required to notify his or her supervisor each day, in accordance with the above notification procedure, of the continued absence. Where the employee is expected to be absent for an extended or pre-determined time, the employee and supervisor may establish a schedule to report on a less frequent basis.

Unscheduled absences due to injury or illness, other than those qualifying for leave under the Family and Medical Leave Act, even if reported pursuant to these guidelines, may still be deemed excessive and may result in disciplinary action up to and including termination. An employee is also subject to disciplinary action for chronic absenteeism (where the employee has demonstrated that he/she is incapable of consistent attendance) or patterned absenteeism (e.g., Mondays, Fridays, or days before/after a holiday or vacation).

Lateness will also result in discipline. Lateness is defined as an employee who is not at his or her assigned work station prepared to work at the beginning of his or her scheduled work time.

Attendance expectations specific to your position will be communicated to you by your supervisor. Check with your supervisor to be sure you understand your work requirements.

ATTENDANCE BONUS

Full-time and regularly scheduled part-time employees who are paid hourly or who are non-exempt, non-management employees are eligible for an attendance bonus of one percent of their gross wages per quarter. In order to qualify for an attendance bonus, an employee must have perfect attendance as defined by this policy. Supervisors are responsible for tracking this information.

For the purposes of this policy, perfect attendance is defined as working every scheduled day, other than absences qualifying for leave under the Family and Medical Leave Act or pre-approved vacation days or holidays. Except as otherwise provided herein, an employee cannot preserve his/her eligibility for a perfect attendance bonus by obtaining a doctor's note to explain his/her absence from work on a particular day. The employee must work a minimum of 75% of their scheduled workday (such as six hours for an eight-hour day) to count as having been "present" for attendance purposes.

The receipt of any attendance-related disciplinary action will make an employee ineligible to receive an attendance bonus during that quarter. For example, more than three tardies in a month will result in disciplinary action and will disqualify an employee from receiving an attendance bonus.

STAFF MEETINGS

It is important that information of general interest to employees be communicated on a regular basis. For this purpose, a regular schedule of staff meetings generally will be maintained. This will include both departmental and general staff meetings.

Attendance at these meetings is mandatory unless specifically excused by the employee's immediate supervisor.

These meetings are considered work time by Five Star Food Service, and all hourly employees must be clocked in while attending.

INCLEMENT WEATHER

In cases involving inclement weather, your company facility (or customer location) will determine whether to remain open or closed on a particular day. It will be the responsibility of the employee to contact his or her branch in order to determine whether Five Star is open for business in the event of inclement weather. At all times, employees should use common sense in determining whether they can safely get to and from work during periods of inclement weather. An employee who misrepresents his/her ability to safely travel to/from work or otherwise abuses the company's inclement weather policy is subject to disciplinary action, up to and including termination from employment. When weather permits most employees to get to and from work, the employee will be expected to report to work unless special circumstances exist preventing him/her from safely traveling to and from work. Under such circumstances, the failure to report for work may disqualify the employee from eligibility for attendance bonuses provided by the Company.

In the event of closures due to inclement weather, employees who are paid a salary will generally be paid in full for the period of closure, and non-exempt (hourly) employees will be paid for all hours actually worked that day. Note: drivers who are paid a set "daily rate" will not be eligible to be paid their daily rate for days on which they do not perform any work. An employee who is unable to travel to/from work due to inclement weather on a day on which the employee's work location is otherwise open for business will generally not be paid for that day.

Please consult with your supervisor or the Human Resources Department if you have questions about this policy or your entitlement to compensation during periods of inclement weather.

WORKING HOURS

Working hours are scheduled by your department head in such a manner as to obtain the most efficient operation of your department and to meet client needs. There may be times when business conditions dictate flexible work schedules, reduced work schedules, or mandatory overtime. Punctuality and regular and predictable attendance are essential functions of all Five Star jobs and are a must if your department is to operate efficiently.

The designated (for example, 30-minute) meal time for non-exempt employees is not considered a part of working hours and will be scheduled by the department head in accordance with company policy and applicable law. Employees must sign or clock out for meal periods. The meal period should not be taken at the workstation. Breaks are authorized and scheduled by your department head. Breaks are not to exceed two per day nor be longer than ten minutes each. Employees are not required to clock in/out for these break periods.

In no event is a non-exempt employee allowed to work off the clock. Employees who believe that they are being required to work off the clock should report the matter to Human Resources. Overtime may be required when deemed necessary by management. Time clocks or time sheets will be used to determine hours worked at the various divisions of Five Star Food Service and must be signed at the end of the pay period by the employee. Your signature on your time record certifies that the hours reflected on your time record are accurate and complete.

It is the employee's responsibility to ensure that he or she is clocked in or signed in properly. At all time, employees are prohibited from clocking in/out for other employees.

OVERTIME PAY

Hourly paid non-exempt employees of Five Star Food Service must receive approval for overtime work from their supervisor. Hourly non-exempt employees will be paid overtime pay for all hours actually worked over forty hours in a workweek. Paid leave time or any other time that an employee does not actually work—such as holidays, vacation, or sick time—will *not* be counted as time worked for overtime purposes. The violation of this policy is grounds for disciplinary action, up to and including termination of employment.

TIME KEEPING

Accurately recording time worked is the responsibility of every hourly paid employee. The Company keeps an accurate record of time worked in order to calculate employee pay and benefits. Time worked includes all time actually spent on the job performing assigned duties. Timecards should reflect information pertaining only to the employee schedule and time worked. *There should not be any extraneous notations made on an employee timecard.*

Non-exempt employees should accurately record the time they begin and end their workday, as well as the beginning and ending time of their meal period. When time clocks/cards are used, it is important that employees punch in no earlier than five minutes before the designated start time and no later than five minutes after the designated end time. (Reporting any number of minutes after the assigned work time is considered late to work for purposes of the Attendance Bonus). Employees should also record the beginning and ending time of any split shift or departure from work. In no event is a non-exempt employee allowed to work off the clock.

Tampering with, altering or falsifying time records, recording time on another employee's time record, or working off the clock may result in disciplinary action up to and including termination of employment.

It is the employee's responsibility to sign his or her time record or timecard as a means to certify the accuracy of all time recorded.

An employee who makes an error or finds it necessary to make a correction to his/ her time record should immediately report the error/correction to the employee's supervisor and/or the Payroll Department. Employees should not correct or alter their time records without first notifying their supervisor and/or the Payroll Department.

Non-exempt, hourly employees are not permitted to work "off the clock." Non- exempt employees who work off the clock are subject to discipline, up to and including termination. Supervisors who require or permit employees to work off the clock are also subject to discipline, up to and including termination. Employees who believe that they are being required to work off the clock should report the supervisor to Human Resources. The Company will not retaliate against any employee for making a good faith complaint of working off the clock.

PAYROLL AND SALARY DEDUCTIONS

The law requires that the Company make certain deductions from every employee's compensation, including, but not limited to, applicable federal, state, and local income taxes. Social Security taxes also must be deducted from each employee's earnings. The Company matches the amount of Social Security taxes paid by each employee.

The Company offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs. Contact Human Resources with questions concerning deductions and how they are calculated.

The Company prohibits deductions from the salary of a salaried exempt employee based on the quality or quantity of work performed or any other reason that is inconsistent with pay on a salary basis under federal wage and hour regulations. Subject to certain exceptions, a salaried exempt employee must receive his or her full salary for any week in which he or she performs any work, without regard to the number of days or hours worked. Exceptions to this general rule include the following:

1. The Company need not pay the salary of an exempt employee for any workweek in which the employee performs no work.
2. The Company may make deductions from salary for an exempt employee's absence for one or more full days for personal reasons, other than sickness or disability.
3. The Company may make deductions from salary for an exempt employee's absences of one or more full days occasioned by sickness or disability so long as the company maintains a bona fide leave plan that provides compensation for loss of pay occasioned by such sickness or disability. Deductions for such full day absences may be made, for example, before the employee has qualified under the plan or after the employee has exhausted his or her sick leave under the plan.
4. The Company will not make deductions from salary for partial week absences of an exempt employee occasioned by jury duty, attendance as a witness, or temporary military leave. The Company may offset any amounts received by an employee as jury fees, witness fees, or military pay for a particular week against the salary due for that particular week.
5. The Company may make deductions from the salary of exempt employees for penalties imposed in good faith for infractions of safety rules of major significance.
6. The Company may make deductions from the salary of an exempt employee for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace conduct rules.
7. The Company is not required to pay the full salary of a salaried exempt employee in the initial or terminal week of his or her employment if the employee works a partial week during such week.
8. The Company is not required to pay exempt employees for leave taken pursuant to the Family and Medical Leave Act.

Five Star Food Service policy prohibits improper deductions from exempt employees' salaries. If a salaried exempt employee believes that the Company has made an improper deduction from his or her salary, he or she should report the alleged improper deduction to Human Resources. An employee may also report an improper salary deduction by reporting it to his or her branch manager. In the event

that Five Star has made an improper deduction from an exempt employee's salary, Five Star will reimburse the employee subjected to the improper deduction and will make a good faith commitment to comply with the applicable Wage and Hour regulations in the future. The Company will in no way retaliate against any employee for making a good faith complaint about any payroll discrepancies or problems.

GARNISHMENTS

An employee should make every effort to resolve any debt problems with creditors. A court may order the Company to deduct amounts directly from an employee's pay when that employee has failed to pay his/her personal debts. Any court-ordered garnishment for child support, family support, bankruptcy, or other judgments rendered against an employee should be forwarded immediately to the Payroll Department. The Company will respond to such court orders as required by federal and state law.

Employees will be notified orally of a first and second garnishment. A written warning will be given for the third garnishment for a different indebtedness. Termination of employment may result for the fourth garnishment of a separate debt during a one- year period. In connection with an employee's garnishment, Five Star may collect an administrative fee as provided by law.

HOLIDAYS

Full-time employees receive seven paid holidays. Generally, the following holidays are observed:

New Year's Day

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas Day

Floating Holiday (to be designated by location management)

Paid holidays will not be forfeited when they fall during a vacation period. Another day may be taken, or pay in lieu of the day off may be authorized. Non-management employees must complete ninety days employment before they are eligible for holiday pay as outlined in this handbook.

If any of the above holidays should fall on a Saturday, it will usually be observed on the preceding Friday; if the holiday falls on a Sunday, it will usually be observed on the following Monday. You should check with your supervisor to be sure you understand your individual work requirements.

Holiday pay will be paid for the hours an employee would ordinarily have been scheduled to have worked (not to exceed 8 hours) on the holiday at the employee's base rate. Holiday pay will be included in the paycheck for the pay period in which it occurs.

You will not be eligible for holiday pay if you are (i) a part-time or temporary employee, (ii) on unpaid leave of absence for any reason other than leave under the Family and Medical Leave Act, or (iii) a non-management employee who is absent from work without excuse on either the last scheduled work day prior to the holiday or the next scheduled work day after the holiday.

If a commissioned employee is scheduled to work on a recognized holiday, he or she will be compensated as follows: one day's commission based upon a six-week average of prior sales plus commission earned for the holiday actually worked.

If an hourly paid employee is scheduled to work on a recognized holiday, he or she will be compensated as follows: hours worked paid at the employee's base rate of pay plus one day (not to exceed eight hours) holiday pay based on the employee's base rate of pay.

Vacation Policy:

Hourly Paid Employees, Commissioned Employees, Non-Management Salaried Employees:

Only full-time employees are eligible for vacation benefits.

Five Star Food Service provides paid vacation for employees to take time for rest, recuperation and to attend to non-work related matters. The Company encourages employees to use their available vacation time. The Company will attempt to grant employees vacation leave at the time they desire to take it. However, the Company must maintain adequate staffing at all times. Therefore, vacations must be scheduled in advance and with prior written approval of the employee's supervisor. The supervisor has the right to deny a vacation request if the absence may result in an operational hardship. In addition, operational issues may dictate use of vacation time.

Where conflicts develop regarding requests for vacation, they will be resolved fairly, but as deemed appropriate by management. All other factors being equal, preference will generally be given to the employee who makes the earliest request, but other legitimate factors may be considered, including, but not limited to, seniority and the amount of vacation time already taken by the employees involved.

The vacation plan is based upon years of service with the Company. **Vacation is not earned or taken during the first year of employment.**

All vacation must be taken during the year in which it is earned. No carry-over of vacation is allowed. All unused vacation is forfeited if not taken by the end of the year as based upon date of hire.

Employees become eligible to earn vacation as follows:

| | |
|-------------------------------|---------|
| After one year of service | 5 days |
| After three years of service | 10 days |
| After ten years of service | 15 days |
| After twenty years of service | 20 days |

Vacation will be paid at the employee's base rate at the time the leave is taken, e.g., the average daily hours worked by the employee, paid at the employee's regular straight-time rate. Commission paid employees will be paid based upon the average of the previous six (6) weeks of commission paid. Vacation pay does not include overtime or any special forms of compensation such as incentives, bonuses, or shift differentials. Vacation time is not considered "hours worked" for purposes of calculating eligibility for overtime compensation. If a holiday falls during the employee's vacation, the day will be charged to holiday pay, rather than vacation pay.

Employees who comply with the Resignation Policy (above) will have any vacation time earned and unused for the current year paid at termination on a pro-rata basis. For example, if an employee whose anniversary (hiring) date is January 1 and who receives ten (10) vacation days per year resigns from his or her employment on June 30 (halfway through the anniversary year), the employee will be entitled to the payout of half of his or her vacation days (5), minus any vacation days actually taken by the employee prior to resignation.

Terminated employees are not eligible for unused vacation at the time of termination.

FAMILY AND MEDICAL LEAVE

The Company provides unpaid, job-protected leave pursuant to the Family and Medical Leave Act ("FMLA"). To be eligible for leave under the FMLA, an employee must (at the time leave begins) (i) have completed at least twelve months of service within the Company during the preceding 7-year period; (ii) have worked at least 1,250 hours in the previous twelve months; and (iii) work at a worksite at which the Company has fifty (50) or more employees within seventy-five (75) miles of the worksite.

Family or Medical Leave. Eligible employees may request a leave of absence for one or more of the following reasons:

- Because of a serious health condition that makes the employee unable to perform the essential functions of employee's job;
- Because of incapacity due to pregnancy, for prenatal medical care, for the birth of the employee's child, and to care for the newborn child;
- Because of the placement of a child with the employee for adoption or foster care and to care for the newly placed child;
- To care for the employee's spouse, child, or parent who has a serious health condition;
- Because of a qualifying exigency arising out of the fact that an employee's spouse, child or parent is on covered active duty (or has been notified of an impending call or order to covered active duty) in the U.S. Armed Forces, including the National Guard or Reserves. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post- deployment reintegration briefings; and
- Military caregiver leave (see below).

Eligible employees may request up to twelve (12) weeks of such leave (collectively “family or medical leave”) during a rolling twelve-month period. Family or medical leave to care for a healthy newborn or newly placed child must be taken within the twelve (12) months following birth or placement. A husband and wife who are both Company employees are limited to a combined total of twelve (12) weeks of family or medical leave during a twelve-month period if the leave is taken to care for a healthy newborn or newly placed child or to care for a parent or child with a serious health condition.

Military Caregiver Leave. An eligible employee who is the spouse, child, parent, or nearest blood relative (kin) of a covered U.S. military service member may request up to twenty-six (26) weeks of leave during a single twelve-month period to care for such service member (“military caregiver leave”) with a serious health condition. During this single twelve-month period, the combined total weeks of family and medical leave and military caregiver leave will not exceed twenty-six (26) weeks.

To qualify for care, a covered service member must be either:

A current member of the Armed Forces, including the National Guard or Reserves, who (i) has a serious injury or illness that was incurred in the line of duty on active duty (or that existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty) that may render the service member medically unfit to perform his or her military duties for which he or she is undergoing medical treatment, recuperation, or therapy; (ii) is otherwise in qualified outpatient status; or (iii) is otherwise on the temporary disability retired list; or

A veteran of the Armed Forces, including the National Guard or Reserves, who has a qualifying injury or illness that was incurred in the line of duty on active duty (or that existed before the beginning of the veteran’s active duty and was aggravated by service in the line of duty on active duty) for which he or she is undergoing medical treatment, recuperation, or therapy. The veteran must have been a member of the Armed Forces at some time during the five (5) years preceding the date on which he or she undergoes the medical treatment, recuperation, or therapy.

A husband and wife who are both Company employees are limited to a combined total of twenty-six (26) weeks of military caregiver leave during the single twelve-month period.

Request for Leave and Advance Notice. An employee who wishes to take family or medical leave or military caregiver leave (collectively “leave”) under this policy must give the Company at least thirty (30) days advance notice of the leave if the leave is foreseeable. If thirty (30) days is not practicable, for example, because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable. If the leave is not foreseeable, an employee must give notice of the leave as soon as practicable and typically within two (2) working days of learning of the need for leave. The employee generally must comply with the Company’s normal call-in procedures. The Company may delay or deny the taking of leave if the employee fails to properly notify it of the need for leave.

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

The Company will inform employees who request leave whether they are eligible for leave under the FMLA. If an employee is eligible, the Company will provide a notice specifying any additional information required from the employee and any other employee rights and responsibilities. If the employee is not eligible, the Company will tell the employee why he or she is not eligible. The Company will inform the employee if the leave will be designated as FMLA-protected and how much of the leave will be counted against the employee’s leave entitlement. If the Company determines that the leave is not FMLA-protected, the Company will so notify the employee.

Certification. An employee who seeks to take family or medical leave for the employee’s or the employee’s family member’s serious health condition may be required to provide a “Certification of Health Care Provider” form completed by a health care provider. An employee who seeks to take family and medical leave because of a qualifying exigency must provide a “Certification of Qualifying Exigency” form completed by the employee. An employee who seeks to take military caregiver leave must provide a “Certification for Serious Injury or Illness of a Covered Servicemember” form completed by a Department of Defense or other authorized health care provider.

If the leave is foreseeable and the employee has provided at least thirty (30) days’ notice of the leave, the employee must provide the medical certification before the leave commences. Otherwise, the employee generally must provide the medical certification within fifteen (15) days of the request. Failure to provide medical certification in a timely manner may result in the leave being delayed or denied.

Under certain conditions, the Company may also require that the employee's health care provider (or the health care provider for the employee's family member) recertify the employee's (or family member's) serious health condition.

Definition of Serious Health Condition. The term "serious health condition" includes any illness, injury, impairment or physical or mental condition that involves: (1) an overnight stay in a hospital, hospice or residential medical care facility; (2) incapacity to work or perform regular daily activities for more than three consecutive calendar days and treatment by or under the supervision of a health care provider two or more times, or once which results in a regimen of continuing treatment under the supervision of a health care provider; (3) incapacity due to pregnancy or prenatal care; (4) incapacity related to a chronic serious health condition that requires periodic treatment by or under the supervision of a health care provider over an extended period of time; (5) incapacity due to a condition which is continually monitored by a health care provider; or (6) incapacity related to the receipt of or recovery from multiple treatments for a condition that would be likely to cause a period of incapacity of more than three consecutive calendar days if such treatments were not administered..

Subject to certain conditions, the continuing treatment requirements may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave. Leave to care for a healthy newborn or newly placed child must be taken in consecutive workweeks. Employees do not need to use other leave entitlements in one block. Employees may take other leave intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company's operations. Leave due to qualifying exigencies may be taken on an intermittent basis.

The use of false or fraudulent information to obtain leave under the FMLA, or use of FMLA leave for purposes other than those covered by the FMLA, may be grounds for disciplinary action, up to and including termination.

Use of Paid Leave. FMLA leave is generally unpaid. If the employee has available paid time off (vacation time), however, the employee may elect to take such paid time off concurrently with FMLA leave. After eight (8) weeks of FMLA leave have been taken, moreover, the Company will *require* the employee to take any remaining paid time off concurrently with FMLA leave. Any such paid leave will count toward the twelve weeks (or twenty-six weeks, if applicable) of leave the employee can take in a twelve-month period.

Continuation of Benefits. The Company will maintain group health benefits during leave on the same terms as if the employee were working. If the employee is on paid leave, the premium for group health insurance benefits will continue to be deducted from his/her pay, per normal company procedures. If the leave is unpaid, however, the employee will be required to pay his/her portion of the premium directly to Five Star. The employee should coordinate with Human Resources to avoid the lapsing of other benefits while on leave. Under certain circumstances, the Company may recover its share of health plan premiums paid during the leave period if the employee fails to return to work after he or she has exhausted the leave entitlement. Use of leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Return to Work. Five Star reserves the right to periodically require an employee on FMLA leave to update his/her status and intent to return to work. Prior to an employee's return to work from leave for his or her own serious health condition, the employee must submit to Human Resources a certification from a health care provider that the employee is able to return to work, *i.e.*, that the employee is able to perform the essential functions of his/her job position. Failure to submit this certification may cause the Company to delay or deny the employee's return to work.

With the exception of (1) a "key employee" as defined by 29 C.F.R. § 825.217; an employee who is no longer able to perform the essential functions of his or her job; or (3) an employee who would not otherwise be employed at the time of requested reinstatement, an employee will be restored to his or her job or to a substantially equivalent job with substantially equivalent benefits, pay, and terms of employment upon returning from leave.

Calculation of the Twelve-Month Period. As noted above, an employee may request family or medical leave of up to twelve (12) weeks during a twelve-month period. The applicable twelve-month period is a "rolling" twelve-month period measured backward from the date an employee uses any family or medical leave. Under this method of calculation, each time an employee takes family or medical leave, the employee's remaining leave entitlement is based on any balance of the twelve weeks that he or she has not used during the immediately preceding twelve months.

As noted above, an employee may request up to twenty-six (26) weeks of military caregiver leave during a single twelve-month period. The twelve-month period begins on the first day of military caregiver leave.

Please feel free to contact your supervisor or Human Resources if you have questions about this policy or its application in a particular situation.

PARENTAL LEAVE

Employees who have been employed by the Company in *Tennessee* for at least twelve (12) consecutive months as full-time employees may be absent from employment for a period not to exceed four months for the purpose of adoption, pregnancy, childbirth, and nursing of an infant, where applicable. Such parental leave runs concurrently with FMLA leave.

Employees who give at least three months' advance notice of their anticipated date of departure, their length of leave, and their intention to return to full-time employment after leave will be restored to their previous or similar positions with the same status, pay, length of service credit, and seniority. Employees who do not give three months' advance notice because of a medical emergency that necessitates that the leave begin earlier than originally anticipated or because their notice of adoption was received less than three months in advance do not forfeit their rights to parental leave.

The purpose of parental leave is to provide leave time to employees for adoption, pregnancy, childbirth and nursing the infant, where applicable; therefore, if the Company finds that the employee has used the period of leave to actively pursue other employment opportunities or if the Company finds that the employee has worked part time or full time for another employer during the period of leave, then the employee has no right to reinstatement at the end of the leave. If an employee's job position is so unique that the Company cannot, after reasonable efforts, temporarily fill the position, then the employee has no right to reinstatement at the end of the leave.

Parental leave is generally unpaid. If the employee has available paid time off (vacation time), the employee may elect to take such paid time off concurrently with the employee's four-month allotment of parental leave. After eight (8) weeks of parental leave have been taken, moreover, the Company will *require* the employee to take any remaining paid time off concurrently with parental leave. At all times, paid parental leave (vacation pay) taken by the employee will count toward the employee's four-month allotment of parental leave.

MILITARY LEAVE

The Company provides a leave of absence for service in the U.S. uniformed services regardless of length of employment. "Uniformed services" include military service, reserve duty and National Guard duty. Employees who are called or who volunteer for service should provide advance notice to the Company of such service. The Company will observe all applicable federal and state laws in reinstating employees after service. Nonexempt employees will not be paid while on leave under this policy. Exempt employees will be paid the difference between service pay and the employee's normal rate of pay for absences of less than a full workweek. Exempt employees will not be paid for full workweek absences.

FUNERAL LEAVE

Full-time employees who have completed their introductory period may receive paid funeral leave *of up to three* days upon approval by local branch management for a death in the *immediate* family. Immediate family is defined to include only mother, father, spouse, children, brother, sister, grandmother, grandfather, or grandchildren. One day of paid funeral leave may be granted for the death of a mother/father-in-law, son/daughter-in-law, or brother/sister-in-law.

The Company may request reasonable proof of death, such as an obituary.

As is the policy with any absence from regularly scheduled work time, the employee is responsible for contacting the Company promptly upon becoming aware of the need for leave. Pay in lieu of leave is not authorized. Paid funeral leave is in addition to vacation and will not disqualify an employee for an attendance bonus. Funeral leave will not be forfeited if the death occurs while the employee is on vacation.

One unpaid day may be granted in the event of the death of any other relative not discussed above. Any other unpaid leave with respect to a death will be handled on an individual basis. Time off for funeral leave must be taken in the days immediately following the death and interment.

JURY DUTY

Five Star Food Service recognizes your civic obligation to serve on a jury when summoned to do so. Therefore, time off to serve as a juror will be granted, regardless of your length of employment with the Company. Employees must notify their supervisor or department head within 48 hours of receiving notice that they are called for jury duty, and provide a copy of the Jury Summons or other notice to the supervisor. Employees will be paid for time spent on jury duty in accordance with state law.

When you serve on jury duty, you may receive a stipend from the court. In this event, you are entitled to exercise one of the following options:

1. You may endorse the court's check over to Five Star and receive your full hourly pay for the time served.
2. You may be paid based on applicable state guidelines.

No employee will be subjected to disciplinary action for serving on jury duty in accordance with this policy.

EMPLOYEE CONDUCT AND WORK RULES

To assure orderly operations and provide the best possible work environment, the Company expects employees to follow rules of conduct that will protect the interests and safety of all employees at the Company. It is the Company's policy that employees maintain a working environment that encourages mutual respect, promotes professional relationships among employees, and is free from all forms of unlawful harassment and violence. Employees are expected to conduct themselves in an appropriate manner as judged by a reasonable person. Employees have the right to conduct their work without disorderly or undue interference from other employees. The Company prohibits employees from violating this right of their co-workers.

An employee may be placed on investigatory leave, with or without notice, to permit Five Star to review or investigate actions, including, but not limited to, dishonesty, theft, misappropriation of Company funds and/or property, violence on the job, workplace harassment, gross negligence or acts endangering others, insubordination, or any other conduct which in the Company's judgment warrants removing the employee from the work site. The Company may conduct searches per the Search, Inspection and Investigation Policy.

The Company's normal practice is to help you identify problems and improve performance or behavior. Failure to meet performance expectations or observe rules, regulations, and state and federal laws can lead to disciplinary action, including, but not limited to, counseling sessions, warnings, suspension, or discharge. The specific action taken will be based on the Company's assessment of the offense, the circumstances, and your past record. The Company may take whatever corrective action measures that it believes appropriate, including immediate discharge. Employees should have no expectation that a firm system of progressive discipline will be utilized in every instance. Nothing in this policy changes your status as an employee at will.

The following are examples of infractions of rules of conduct that may result in disciplinary action, including suspension or immediate termination of employment. The following list is intended to be illustrative in nature and is not intended to list each and every example of workplace conduct which might result in corrective action:

- The possession, use, abuse or sale of any illegal drugs or any controlled substance, without prescription or license, on Company or customer property.
- Bringing, possessing or using alcoholic beverages on the Company or customer premises, or reporting to work under the influence of alcohol or illegal drugs or a controlled substance.
- Failure to submit to a drug and/or alcohol screen.
- Any other violation of Five Star's Drug and Alcohol Policy.
- Theft from the Company, customers, or other employees.
- Violation of the Company's workplace violence policy.
- Violation of safety rules.
- Sabotaging another's work.
- Making malicious, false or defamatory statements about others.
- Publicly disclosing another's private information.
- Spreading malicious rumors.
- Engaging in vulgar or abusive language or conduct toward others.
- Treating customers or coworkers in a discourteous, inattentive or unprofessional manner.
- Failing to work route as scheduled.
- Failing to properly merchandise product including properly rotating stock, removing out of date product, and following the plan a gram.
- Failing to comply with established Company standards of accountability.
- Soliciting gifts or tips from business-related contacts.
- Omission, falsification, or misrepresentation of employment application or any other Company record, including timecards.
- Being dishonest, including but not limited to deception, fraud, lying, cheating or theft (including theft of time), or concealing defective work.
- Leaving the Company or customer premises without permission.
- Excessive tardiness or absences.
- Loitering or loafing while on duty.
- Exceeding the authorized number or length of break periods, including lunch.
- Failing to report an unsafe or life-threatening act by anyone on Company or customer property.

EMPLOYEE CONDUCT AND WORK RULES CONTINUED

- Failing to report a work-related injury.
- Smoking in non-smoking areas and/or at times other than designated break times.
- Insubordination, including but not limited to:
 - Refusing to do an assigned job
 - Refusing to work overtime when required
 - Refusing to render assistance
 - Refusing to accept holiday work when assigned
 - Willful failure to follow instructions
 - Failure to comply with repeated work directives
 - Insolent response to a work direction
 - Delay in carrying out an assignment
- Violating any of the Company's discrimination, harassment, or retaliation policies.
- Speeding or careless driving of Company vehicles.
- Possessing firearms, other weapons, ammunition or explosives on Company premises (unless otherwise provided by state or local law). For the purposes of this rule of conduct "Company premises" includes Five Star vehicles, and private vehicles parked on Five Star property, unless otherwise provided by state or local law.
- Bringing weapons into the workplace, including Company property and customer locations.
- Fighting or horseplay.
- Failing to comply with local, state, or federal health regulations and/or Company sanitation standards.
- Sleeping on the job.
- Lateness for scheduled work time.
- No call, no show.
- Any unexcused absence.
- Not following guidelines concerning notification of absenteeism.
- Poor work quality or productivity.
- Engaging in conduct that would be widely regarded as inappropriate within the work place.
- Excessive use of telephone, internet, or e-mail for personal reasons.
- Violation of the company's dress code.
- Violating any of the policies set forth in this Employee Handbook.

This list is not exhaustive. Other improper conduct may be grounds for corrective action up to and including dismissal.

CODE OF CONDUCT

Positive customer relations are crucial to the success of Five Star Food Service. Each and every employee is responsible for conducting himself/herself in a manner which promotes positive customer relations. Our dealings with our customers and our suppliers must be above reproach at all times. Appropriate employee behavior is necessary for efficient operations of the Company. Conduct that interferes with operations or is unlawful or inappropriate with respect to customers, suppliers, or fellow employees is prohibited.

The policy of Five Star prohibits the acceptance by Five Star employees of any gifts or favors in excess of \$50.00. If gifts are sent to you, they should be graciously refused or returned with a courteous explanation of our Company policy. If an employee solicits gifts or favors, that employee is subject to disciplinary action. If you have questions as to whether the acceptance of a particular item would violate this policy, please contact your supervisor or Human Resources in advance.

Five Star prefers to obtain the best supplier pricing and most competitive services available rather than support practices of gifts and gratuities to its employees.

CONDITIONS OF EMPLOYMENT

As an employee of Five Star Food Service, you are responsible for Company assets that are under your care, custody, and/ or control. These assets include, but are not limited to, monetary funds, machines, product, and vehicles. If you are responsible in any way for the loss or damage to any Company asset while it is under your care, custody, and/or control, the Company may require you to reimburse it for the loss or damage. Also understand that this reimbursement does not eliminate the possibility of disciplinary or criminal action being taken against you by the Company.

For salaried exempt employees this reimbursement offset will be applied to the employee's Incentive Bonus and not to the employees' salary.

This policy will not be applied in any way as to have the effect of (1) reducing a non-exempt employees' hourly wage rate below the statutory minimum wage or any statutory overtime pay to which he/she is entitled, or (2) reducing an exempt employees' guaranteed salary.

You are responsible for maintaining the security of any and all company property in your possession, at all times. When entrusted with keys, you are responsible for keeping such keys in your possession or locked in the Company-designated secured area at all times. You are not to leave keys unsecured anywhere, including trucks, on break room tables, or in machine doors.

You agree to cooperate fully with any investigation into misconduct by an employee of Five Star.

You understand that your employment with Five Star is at-will and can be terminated by you or the Company at any time and for any reason.

You understand that your failure to adhere and comply with the spirit, intent, and terms of this Employee Handbook can lead to your summary dismissal.

CONFIDENTIALITY/NON-DISCLOSURE

The protection of confidential business information and trade secrets is vital to the interests and the success of the Company. Such confidential information includes, but is not limited to, the following examples:

Marketing processes:

Data and strategies

Customer lists

Proprietary processes:

Company Financial information

Pending projects and proposals

Customer information and preferences

Business plans

Sales information

Any employee who discloses trade secrets or confidential business information will be subject to disciplinary action, up to and including discharge, even if he or she does not actually benefit from the disclosed information. Furthermore, former employees are at all times prohibited from disclosing the company's confidential business information. The Company will take all lawful, reasonable, and necessary means, including legal action, to protect its confidential business information.

The Company also prohibits employees from disclosing to the Company or its employees any other Company's confidential business information. Employees who disclose or attempt to disclose to the company or any of its employees any other company's confidential business information will be subject to disciplinary action, up to and including discharge.

All requests for information discussed in this policy should be referred to your supervisor. Likewise, please contact your supervisor or Human Resources if you have questions about this policy or its application in a particular situation.

ANTI-DISCRIMINATION AND HARASSMENT; ABUSIVE CONDUCT

Five Star Food Service is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has a right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment or discrimination on the basis of race, color, national origin, religion, sex, age, disability, or any other characteristic protected by law. Therefore, Five Star expects all relationships among associates in the Company to be businesslike and free of bias, prejudice, and harassment.

The Company requires the reporting of all perceived incidents of discrimination or harassment. It is the policy of Five Star to investigate all reports. The Company prohibits retaliation against any individual who in good faith reports discrimination or harassment or who participates in an investigation of such reports.

Harassment in General Defined

For the purpose of this policy, the term “harassment” includes, without limitation, verbal harassment (epithets, derogatory statements, slurs), physical harassment (assault, physical interference with normal work), visual harassment (posters, cartoons, drawings), and innuendo. The harassment prohibited in this policy includes more than sexual harassment. It also includes, as noted above, harassment that is related to, among other things, an individual’s race, religion, national origin, age, or other protected category.

This policy also prohibits inappropriate workplace gossip, joking, and similar behaviors, even if such behavior might not be considered unlawful under applicable law. At all times, employees are cautioned to avoid workplace behaviors that are inappropriate for a workplace setting, regardless whether the employee intentionally intended to subject another individual to inappropriate discrimination or harassment.

Sexual Harassment

For the purposes of this policy, sexual harassment in particular is defined as unwelcome sexual advances, requests for sexual favors, and other unwelcome verbal or physical conduct of a sexual nature that impacts the workplace where: (1) submission to such conduct is made explicitly or implicitly a term or condition of an individual’s employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting that individual, or (3) such conduct is pervasive, intimidating, and hostile and has the purpose or the effect of unreasonably interfering with an individual’s work performance or creating a hostile working environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or a different gender. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances or requests for sexual acts or favors; sexual jokes or innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; displaying in the workplace of sexually suggestive objects or pictures; and other verbal or visual conduct of a sexual nature.

Individuals Covered

This policy applies to all employees, applicants, vendors, customers, and other third-parties with whom you come into contact in the course of performing company business. Individuals should report any behavior prohibited by this policy whether related to conduct engaged in by fellow employees or someone not employed by the Company (e.g., a customer or a vendor.)

Conduct prohibited by this policy is unacceptable in the workplace or elsewhere, including any work-related setting outside of the workplace, such as business trips, meetings, or business-related social events. In some circumstances, even behavior that occurs outside of the workplace or business context (for example, use of social media) may be covered by this policy, if it affects co-workers or the work environment.

Harassment may also include inappropriate behavior between or among members of the same gender, race, religion, national origin, or other protected category.

Individuals found to be in violation of these policies are subject to disciplinary action, up to and including termination of employment.

Abusive Conduct

This policy also prohibits abusive conduct toward employees, even where such behavior is not based upon an individual's membership in a protected class (as described above). The term "abusive conduct" includes but is not limited to:

- Repeated verbal abuse in the workplace, including derogatory remarks, insults, and epithets;
- Verbal, nonverbal, or physical conduct of a threatening, intimidating, or humiliating nature in the workplace; or
- The sabotage or undermining of an associate's work performance in the workplace.

A single act generally will not constitute abusive conduct, unless such conduct is determined to be severe and pervasive. To assist employees with identifying abusive conduct, the following are examples of behavior that may violate this policy (this list is not exhaustive):

- Intimidating an employee by excessive yelling, repeated emotional outbursts, or berating others;
- Undermining another's work by withholding pertinent work-related information or purposefully giving incorrect information;
- Arbitrary or punitive punishment without cause;
- Persistent or constant criticism in front of others for the purpose of humiliating another associate;
- Isolating an employee from co-workers, or inappropriate actions to provoke an employee to leave or be removed; or
- Any malicious behavior a reasonable person would find unprofessional, disturbing, and/or harmful to his or her psychological health.

Abusive conduct does not include:

- Disciplinary procedures in accordance with Company policies
- Routine coaching and counseling, including feedback about and correction of work performance or other regular supervisory responsibilities
- Reasonable work assignments, including shift and overtime assignments
- Individual differences in styles of personal expression
- Passionate, loud expression with no intent to harm others
- Differences of opinion on work-related concerns
- The non-abusive exercise of managerial prerogative

This policy applies to the use of the Company's email system, social media, computers, internet access, or any other company electronic communication systems or devices.

Reporting An Incident

Five Star Food Service requires reporting of all perceived events of harassment, discrimination, or abuse, regardless of the offender's identity or position. Individuals who believe they have been the victims of such conduct should discuss their concerns with their immediate supervisor or Division Manager. You may also make a complaint if you witness harassment or abuse in the workplace. If you are uncomfortable bringing your concern to the above individuals, please contact Human Resources. Upon request, a formal written complaint form may be obtained from local branch management and/or Human Resources.

Employees may also utilize the Conduct Hotline: 1-888-537-2831

Individuals are also welcome to discuss their concerns with the Corporate Human Resources Department or any member of upper management. The Company requires prompt reporting of complaints or concerns so that rapid and constructive action can be taken. Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment and abuse.

Any reported allegations of discrimination, harassment, and abuse will be investigated promptly. The investigation may include interviews with the parties involved, and where necessary, with individuals who may have witnessed the alleged conduct or may have other relevant knowledge. Employees are required to participate in investigations and to keep confidential anything discussed.

The Company shall make efforts to keep information concerning the complaint confidential to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment/abuse or for participating in an investigation is a serious violation of this policy, and will be subject to disciplinary action. Any perceived acts of retaliation should be reported immediately and will be promptly investigated and addressed.

No employee will be subjected to any form of retaliation for making a good-faith report of inappropriate behavior in violation of this policy. Frivolous or false accusations of harassment or discrimination will also result in appropriate disciplinary action up to and including dismissal.

Reasonable Accommodations for Disabled Individuals

The Company will provide reasonable accommodations to qualified applicants or employees with a disability where the accommodation would enable the individual to perform the essential functions of his or her job position, unless doing so would create an undue hardship or a direct threat of harm to that individual or others. For purposes of this policy, a “qualified individual with a disability” is a person who meets the legitimate skills, experience, education, and other requirements of the job position and can perform the essential functions of the job, with or without reasonable accommodation.

If you believe that you need a workplace accommodation in order to address your disabling condition, you should contact your immediate supervisor or Human Resources to discuss the situation. While there is no requirement that you use the phrase “reasonable accommodation,” you should make it clear that you have a disability that is creating work-related limitations, and that an accommodation is needed in order to perform the essential functions of the job. The Company may ask that the accommodation request be submitted in writing, and it may ask you to provide medical information related to the situation.

It is the Company’s policy and practice not to discriminate against individuals with disabilities, and consistent with that policy, no individual who requests a reasonable accommodation will be subjected to any form of adverse action because of his/her request.

DRUGS AND ALCOHOL

Five Star Food Service is committed to providing a safe work environment and to fostering the health and well-being of our employees. That commitment is seriously jeopardized when any Five Star employee illegally uses drugs or alcohol on the job, comes to work under their influence or while still affected by them, or possesses, distributes or sells drugs on Company property.

Therefore, Five Star has established the following statement of policy(s):

1. Employees may not use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in illegal use of drugs on the job. Included in this prohibition are lawful controlled substances that have been illegally or improperly obtained and drug paraphernalia.
2. Employees may not report to work under the influence of or affected by illegal drugs or alcohol.
3. Employees may not use prescription drugs illegally. An employee using drugs at the direction of a physician is required to notify his or her supervisor if these drugs may affect job performance, such as by causing dizziness or drowsiness. Nothing in this policy requires the employee to identify the drug/medication being used or the underlying illness or condition for which it is being taken.

4. The possession or consumption of alcoholic beverages on Five Star's property is prohibited. An employee whose normal faculties are impaired due to the consumption of alcohol, or whose blood or urine alcohol level test .04 or higher (or the current FMCSA standard) while on duty/ Company business will be guilty of misconduct and subject to disciplinary action, up to and including termination of employment, as well as the revocation of driving privileges on behalf of the Company, as applicable.
5. Employees failing to submit to required medical or physical examination(s) or tests after being requested to do so (as is reasonable or required) or who substitute, dilute, adulterate, or otherwise tamper with a sample will be considered as having failed the requested testing, and will be subject to disciplinary action, up to and including termination.
6. Failure to cooperate with any aspect of this policy may result in disciplinary action, including termination of employment.

Everyone shares responsibility for maintaining a safe and productive workplace at Five Star Food Service. It is not a supervisor's job to diagnose an employee's personal problems. If you observe changes in performance or behaviors that suggest that a co-worker is using or is under the influence of drugs or alcohol, you should immediately contact Human Resources to address the situation.

Five Star will utilize substance abuse testing in the following conditions:

Pre-Employment—All employment offers are conditioned upon successfully passing a drug screen test. *Newly hired employees are required to submit to and have results returned from a substance abuse test before they begin employment.*

Reasonable Suspicion— An employee will be required to submit to drug and/ or alcohol testing if the Company has a reasonable suspicion that the employee is using or has used alcohol or drugs in violation of this policy. A reasonable suspicion may be based upon specific, objective, and articulable facts, and reasonable inferences drawn from those facts, in light of experience. By way of example, a reasonable suspicion may be based upon direct observation of alcohol or drug use, direct observations of the physical symptoms of impairment such as swaying, difficulty walking, or slurred speech, the smell of alcohol on the breath, abnormal conduct or erratic behavior while at work, a significant deterioration in work performance, or any other direct or indirect evidence indicating that an employee may have violated this policy.

An employee reporting to work visibly impaired will be deemed unable to perform his or her required duties and will not be allowed to work. If possible, the employee's supervisor will seek another supervisor's opinion to confirm the employee's status. Then the supervisor will interview the employee privately to determine the cause of the impairment including whether substance abuse has occurred. If, in the opinion of the supervisor, the employee is impaired and unable to work, the employee may be sent home, to the hospital, or to a drug testing site by taxi or other safe transportation. The employee may be accompanied by the supervisor or another employee. An impaired employee will not be allowed to drive.

Fitness-For-Duty Medical Examinations — Drug testing may be required as part of any routine fitness-for-duty medical examination required by Five Star.

Post Accident — Employees involved in on-the-job accidents where medical attention is sought (other than first aid) may be required to submit for drug and alcohol testing. Drivers of Company vehicles involved in a motor vehicle accident (regardless of fault) resulting in any property damage or bodily injury of any amount may be required to submit for drug and alcohol testing.

Follow-Up Programs — Employees involved in drug and/or alcohol abuse treatment programs may be required to submit to drug testing as a follow-up to such program for up to two years after completion of the program.

Random — Periodically, Five Star may randomly select employees to submit for drug testing. Five Star will utilize a third party to generate random selections to ensure non-discriminatory selection. Once notified of their random selection, employees must submit on the day of notification for drug testing.

Other Tests — Five Star will require employees to undergo any drug or alcohol test that is required by law, or in conjunction with any other health/physical tests which are required by law, and the Company may require any test that is not prohibited by law.

POSITIVE (FAILED) DRUG TEST RESULTS

Applicants (Pre-employment Tests):

If an applicant refuses to submit to a drug test, the conditional offer of employment will be withdrawn. Applicants with positive drug test results will not be employed. In positive drug test result situations in which the applicant may have already begun employment, the employee will be immediately terminated. A positive drug test is defined as the presence of a substance in a donor's blood or urine for which a legal explanation cannot be given. A positive diluted sample or a sample that has been substituted, adulterated, or otherwise tampered with will be treated the same as a positive result.

Employees (Post-Accident, Random, For Cause, Fitness-For-Duty Tests):

Current employees testing positive for drugs—and/or alcohol —will be terminated.

Re-Employment of Individuals with Prior Positive Drug Test Results:

Applicants and/or employees who have previously tested positive for drugs/alcohol may be eligible for re-employment only after the following conditions have been met:

1. The individual has successfully completed an approved drug rehabilitation program and provided written documentation by the rehabilitation provider; and,
2. The individual submits to and successfully passes a current pre- employment drug test; and,
3. The individual submits to and successfully passes post-employment drug tests as determined at the Company's discretion; and,
4. Prior approval for re-employment has been granted by the Corporate Director, Human Resources and/or Corporate Director, Risk Management.

An employee who refuses to submit to a required drug/alcohol test, or is otherwise determined to have tampered with or adulterated a testing specimen, will be subject to immediate termination of employment.

CONTESTED DRUG TESTS:

Employees or applicants with a confirmed positive drug test may, at their option and expense, have a second confirmation test made on the same specimen. An employee or applicant will not be permitted to submit another specimen for testing. Retesting will be conducted immediately upon the request of the employee or applicant. If retesting results in a negative test result, then the company reserves to right to reimburse the employee/applicant for the cost of retesting. Retesting will not be delayed due to an individual's inability to pay for the test.

An employee or applicant with a confirmed positive drug test may contest or explain the results to the medical review officer (MRO) within seventy-two (72) hours after written notification of the test results.

The confidentiality of any information received by Five Star through a substance abuse testing program will be maintained as required by law. Such information shall be kept in a medical file separated from the personnel file.

SMOKING; TOBACCO USE

This Company is a smoke-free workplace. In accordance with state law and Company policy, smoking is prohibited in enclosed areas of Company property, including but not limited to break rooms, employee lounges, hallways, meeting rooms, offices and restrooms

This prohibition includes Company vehicles. The prohibitions in this policy include not only smoking, but also “vaping” technologies and the use of smokeless tobacco products. Smoking is not permitted in any Company vehicle.

Smoking is allowed only in designated areas at customer sites or Five Star managed property. Smoking is prohibited while servicing and/or repairing vending equipment while on customers' premises. Smoking is not permitted while in food preparation, warehouse, or storage areas. Employees may smoke during meal and rest periods only in designated unenclosed areas.

This policy applies to anyone entering Company property, including employees, vendors, and customers.

WORKPLACE VIOLENCE

Your safety and security are of vital importance. Acts or threats of physical violence, including intimidation, harassment, or coercion, which involve or affect the Company, or which occur on Company or customer property, will not be tolerated from anyone. This prohibition against threats and acts of violence applies to anyone involved in the Company's operations, including but not limited to employees, customers, and vendors, and anyone else on Company or customer property (and anyone else with whom an employee may come into contact while performing business on behalf of the Company). Violation of this policy by or toward any individual will result in corrective action, up to and including termination of employment and/or legal action as appropriate.

Workplace violence is any intentional conduct that is sufficiently severe, offensive, or intimidating to cause an individual to reasonably fear for his or her personal safety or the safety of co-workers or property.

Examples of workplace violence include, but are not limited to, the following:

1. Threats or acts of violence occurring on Company or customer property (or otherwise while engaged in activities on behalf of the Company) (including a Company vehicle), regardless of the relationship between the Company and the parties involved in the incident.
2. Threats or acts of violence occurring off Company property involving someone who is acting as a representative of the Company, or otherwise as deemed necessary by management.

3. Threats or acts of violence occurring off Company or customer property involving a Company employee as a victim if the Company determines that the incident may lead to an incident of violence on Company or customer property.
4. Threats or acts of violence resulting in the conviction under any criminal code provision relating to violence or threats of violence that adversely affect the legitimate business interests of the Company.

This policy also applies to the use of the Company's email system, social media, computers, internet access, or any other company electronic communication systems or devices.

An employee's possession, display, or use of a dangerous or deadly weapon is prohibited on Company or customer property. For the purposes of this Workplace Violence policy, "Company property" includes customer facilities or other areas to which an employee is assigned to perform work, as well as Five Star vehicles and private vehicles parked on Five Star property, unless otherwise provided by state or local law.

Prohibited items include, but are not limited to, all firearms; explosives and explosive weapons; switchblade and other knives; brass (or similar) knuckles; or any other implement for infliction of bodily injury. "Possession" includes, but is not limited to, the presence of a weapon on the employee or in his or her motor vehicle, lunch box, locker, tool kit, desk, bag, purse, cabinet, office, or any other item brought by the employee into the workplace, unless otherwise provided by state or local law.

The prohibition on bringing firearms into the workplace applies even where an employee has a conceal/carry permit or other license to possess a particular firearm.

Specific examples of prohibited conduct include, but are not limited to, the following:

1. Threatening physical or aggressive conduct directed toward another person.
2. Threatening someone or his or her family, friends or property with physical harm.
3. The intentional destruction or threat of destruction of property.
4. Harassing or threatening telephone calls, e-mails, or text messages.
5. Surveillance or stalking.
6. Veiled threats of physical harm or similar intimidation.
7. Possession, display, or use of a dangerous or deadly weapon as outlined above.
8. Refusing to submit to an inspection requested by the Company pursuant to this policy.

9. Conviction under any criminal statute for the possession of a weapon or for committing a violent act against the person or property of another.

Workplace violence does not refer to occasional comments of a socially acceptable nature. Such comments may include reference to legitimate sporting activities, popular entertainment, or current events. Rather, it refers to behavior that is objectively offensive, threatening, or intimidating.

Any person who violates this policy may be removed from Company or customer property as quickly as safety permits and may be required, at the Company's discretion, to remain off Company or customer property at least pending the outcome of an investigation into the incident.

The Company may inspect employees, their work areas and lockers, their belongings, and any items brought onto Company property if the Company reasonably suspects a violation of this policy. "Belongings" includes but is not limited to motor vehicles, lunch boxes, tool kits, bags, and purses. Consent to a search requested by the Company is a condition of continued employment, and an employee refusing to consent to a search may result in disciplinary action, up to and including termination.

Violation of this policy may result in corrective action up to and including termination of employment. No provision of this policy alters an employee's status as an employee at will.

Employees should report any acts they feel violate this policy to their supervisor or to the Human Resources Department. Any employee having knowledge of a violation of this policy who fails to report the violation will be subject to disciplinary action, up to and including termination of employment.

SEARCH, INSPECTION AND INVESTIGATION

Five Star Food Service may conduct searches of any person, vehicle, or object that enters onto Company or customer property. Pursuant to this provision, the Company is authorized to search lockers, desks, purses, briefcases, toolboxes, lunch sacks, clothing, vehicles parked on Company or customers' property, and any other item. All Five Star property is eligible for search and shall include lockers or other spaces individually assigned. Consent to search requested by the Company is a condition of continued employment. Refusal to cooperate in a search, inspection, or investigation will result in disciplinary action, up to and including termination. The Company may conduct searches on its property without the employee being present.

Any person who is searched shall be treated with respect at all times and not subjected to undue embarrassment. It is acceptable to ask the person to remove a coat, sweater, or similar type clothing so that it can be inspected. The person may be asked to turn his or her pockets inside out.

CRIMINAL ARRESTS/ CONVICTIONS

It is the policy of Five Star that a review be made of any situation in which an employee is charged with a crime (except for minor motor vehicle violations). For purposes of this policy, the phrase "charged with a crime" means either being arrested or being notified of a violation and summoned to appear to answer the charge.

An employee who is charged with a crime is required to report that fact immediately to his/her immediate supervisor, department manager, or Human Resources. Likewise, a supervisor or manager who learns that an employee has been charged with a crime should immediately notify Human Resources.

Upon investigation of the relevant facts and circumstances, a determination will be made by management as to the appropriate action to be taken. Criminal misconduct that is deemed to be inconsistent with the Company's responsibility to protect the security of its employees, guests, and patrons or to maintain the integrity of Company operations may result in a disciplinary action, up to and including termination.

Under certain circumstances, including those in which an employee is charged with a serious criminal offense (the distribution of controlled substances, homicide, larceny, rape, etc.), the Company reserves the right to immediately suspend the employee without pay until the final disposition of the charge.

Where a criminal charge or conviction hinders an employee's ability to perform his/ her job duties, the employee will not be eligible for an accommodation or transfer in order to address such inability. For example, where an employee is required to drive as part of his/her assigned job duties and the employee loses his/her driver's license as a result of a criminal charge, the employee will not be provided with an accommodation or transfer to another position in order to avoid driving duties.

An employee's absences from work due to incarceration will not be considered excused absences under the Company's attendance policy. Employees will not be allowed to utilize vacation time or other paid time off for absences due to arrests or criminal charges, and an employee who misses work due to incarceration may be subject to corrective action, up to and including termination of employment.

An employee's continued eligibility for employment, and/or any disciplinary action to be taken in a particular situation, may be reassessed by the Company following the final disposition of a criminal charge against the employee.

ELECTRONIC COMMUNICATIONS

The Company provides and maintains the following forms of electronic communication, messaging agents, and electronic facilities: Internal and external electronic mail (e-mail), telephone voice mail, Internet access, and computer hardware and software. As a condition of providing the previously identified communications access tools to its employees, the Company places certain restrictions on use of the same.

OBJECTIVE

The internal communication systems, as well as the equipment and data stored on such systems, are and remain at all times the property of the Company. Accordingly, all messages and files created, sent, received, or stored within the system should be related to Company business and are and will remain the property of the Company. System or Company-wide distributions of e-mail (announcements, bulletins, etc.) require senior management approval in advance of the distribution.

The Company's computer systems are intended to be used primarily for conducting Company business. While personal use of the Company's systems may be appropriate under limited circumstances, employees should not engage in excessive use of these systems for personal or other non-business related use. Under no circumstances should the personal use of the Company's computer systems impair or detrimentally affect an employee's job performance.

The Company reserves the right to retrieve and review any message or file composed, sent, or received on Company systems. It should be noted that, although a message or file is deleted or erased, it is still possible to locate and/or recreate the message. Therefore, ultimate privacy of messages cannot be assured to anyone, and for that reason, employees should have no expectation of privacy that any information placed, contained, stored, sent, or received on the Company's systems is private or confidential. Although electronic mail and voice mail may allow the use of passwords for security, confidentiality cannot be guaranteed. It is possible for messages to be retrieved and viewed by someone other than the intended recipient. Furthermore, all passwords are known to the Company, as the system may need to be accessed by the Company in the absence of an employee.

DEFINITIONS

Materials placed, contained, stored, sent, or received on the Company's computer systems should not contain any information that could reasonably be construed as offensive, discriminatory, or harassing on the basis of race, gender, age, religion, national origin, disability, or any other basis protected by law.

Regarding the use of the Company's computer systems, be advised that the Company expressly prohibits the following:

1. Dissemination or printing of copyrighted materials, including articles and software, in violation of copyright laws.

2. Sending, receiving, printing, or otherwise disseminating proprietary data, trade secrets, or other confidential information of the Company.
3. Offensive or harassing statements or language, including disparagement of others based on their race, national origin, sex, sexual orientation, age, disability, religion, political beliefs, or any other protected basis.
4. Sending or soliciting sexually oriented messages or images.
5. Operating a business, usurping business opportunities, soliciting money for personal gain, or searching for jobs outside the Company.
6. Sending chain letters.
7. Gambling or engaging in any other activity in violation of local, state, or federal law.
8. The circulating of jokes, comics, or other materials in violation of the Company's rules regarding the distribution of literature.

PROCEDURES

The violations of any of this policy may result in disciplinary action, up to and including termination of employment.

PASSWORDS

The Company may provide certain codes or passwords to provide access to the Company's computer systems in order to protect against unauthorized access. Employees are prohibited from sharing or giving their codes or passwords to any other individual, including co-workers, customers, or third parties. Likewise, it is a violation of Company policy for an employee to use his/her password or code to obtain computer access for another individual, or to use another individual's code or password to obtain access to the Company's systems. If you lose your code/password or otherwise have difficulty accessing the Company's systems, please contact the IT Department.

PROTECTION OF INFORMATION

Employees should take appropriate steps to ensure that any and all data, documents, e-mails, and other information contained on the Company's computer systems is properly safeguarded and protected at all times. Information contained on the Company's systems should be protected from deliberate, unintentional, or unauthorized alteration, as well as inappropriate disclosure, use, or destruction, in accordance with federal and state laws and Company policies and practices.

In accordance with this obligation, employees should take appropriate steps to secure information contained, placed, sent, or received on the Company's systems, including e-mail, Internet, and voice mail. Set forth below are several general guidelines for the protection of such information:

- Log off (or turn off) computers when you leave your work area, even if only for a brief time.
- Never open attachments if you are unsure of the source of the e-mail.
- If you take a laptop computer, PDA, or cellular phone with you when you are away from the workplace, take appropriate steps to safeguard those items from theft.
- Always double-check to make sure that you are not inadvertently sending information to the wrong person, e.g., an incorrect e-mail address, facsimile number, etc.
- Do not send proprietary, confidential, or financial information through unsecured channels of communication.

The Company maintains policies and procedures for the retention of records, data, and other information contained on its computer systems. For additional information as to the proper time frame(s) and procedures for the retention of Company information, please contact the Human Resources Department.

The above rules are not all-inclusive, but are intended to provide you with general guidelines concerning the protection of information maintained on the Company's computer systems. Contact your supervisor or Human Resources if you have questions concerning these guidelines.

USE OF SOFTWARE

1. Five Star Food Service has licensed copies of computer software from a variety of publishers to help fulfill its mission. Licensed and registered copies of software programs have been placed on computers within the organization, and appropriate backup copies made in accordance with the licensing agreements. No other copies of this software or its documentation will be made without the express written consent of the software publisher.
2. Five Star will provide copies of legally acquired software to meet all legitimate needs in a timely fashion and in sufficient quantities for all of our computers. The use of software obtained from any other source could present security and legal threats to the organization, and such use is strictly prohibited.
3. In some cases, the License Agreements for a particular software program may permit an additional copy to be placed on a portable computer for business purposes. Employees will not make such additional copies of software or documentation for the software without the approval of Five Star Information Technologies Department.

4. The unauthorized duplication of copyrighted software or documentation is a violation of the law and is contrary to established standards of conduct for Five Star employees. Employees who make, acquire, or use unauthorized copies of computer software or documentation will be subject to immediate discipline, up to and including immediate termination of employment.
5. Five Star may seek to protect its reputation and its investment in computer software by enforcing strong internal controls to prevent the making or use of unauthorized copies of software. These controls may include frequent and periodic assessments of software use, announced and unannounced audits of Company computers to assure compliance, and the removal of any software found on Five Star's property for which a valid proof of license cannot be identified.

SOCIAL MEDIA POLICY

The Company takes no position on your decision to engage in the use of social media. However, it is the right and duty of the Company to protect itself from unauthorized disclosure of information.

General Provisions

Except as otherwise provided by law, Five Star reserves the right to take appropriate action to address employee misuse or abuse of social media, even when the employee's social media use is conducted outside of working hours. Such action may include requesting that the employee remove a particular comment or posting, as well as appropriate disciplinary action, up to and including termination of employment.

Unless specifically authorized by the Company to do so as part of employee's position, employees are not permitted to engage in the use of social media or technology on the Internet during working hours or at any time on company computers or other company-supplied devices. Social media includes but is not limited to video or wiki postings, chat rooms, Facebook, Twitter, Snapchat, personal blogs, or other similar forms of online journals, diaries, or personal newsletters not affiliated with the Company.

Unless specifically instructed, employees are not authorized to speak on behalf of the Company. At all times, employees should notify readers that the views, opinions, ideas, images, and information presented through social media belong to them personally and are not in any way connected to or attributable to the Company. In order to avoid creating the perception that any comments, remarks, or other information are interpreted as those of a representative of

the Company, employees should avoid self-identifying or labeling themselves as representatives of the Company when using social media. Company logos and trademarks may not be used without the written consent of the Company. Employee should not use social media in any manner which could harm the reputation of the Company or the services that it provides.

Employees are expected to protect the privacy of the company and its employees and clients and are prohibited from disclosing confidential and proprietary information through social media. Employees may not reference or cite information regarding Company customers without the written consent of the customer and the Company. Such information includes, but is not limited to, customer information, trade secrets, and strategic business plans.

Employees should not utilize social media in an unlawful manner, including the transmission of information which is harassing, discriminatory, defamatory, or otherwise unlawful.

At all times, the Company requires that appropriate boundaries be maintained between employees and customers. These boundaries can be violated when an employee makes unsolicited contact with a customer (or a member of a customer's family). As such, unless the employee has a prior, non-business-related relationship with the customer, employees are prohibited from soliciting or otherwise initiating contact with customers through social networking sites or blogs, e.g., asking a customer to become a "friend" on Facebook or a similar website, etc.

Employees cannot link from a personal social media site to the Company's internal or external web site.

The Federal Trade Commission (FTC) requires that any individual endorsing a product or service reveals his/her relationship to that product/service. With that in mind, any employee who endorses or comments upon Five Star Food Service or its products/services is required to reveal his/her employment relationship with the Company.

Employer Monitoring

Employees are cautioned that they should have no expectation of privacy while using the Internet. Your postings can be reviewed by anyone, including the Company.

The Company reserves the right to monitor comments or discussions about its employees and clients and the industry, including products and competitors, posted by anyone, including employees and non-employees, on the Internet. Employees are cautioned that they should have no expectation of privacy while using company equipment or facilities for any purpose.

Reporting Violations

The Company requests that employees report any violations or possible or perceived violations of this policy to supervisors, managers, or Human Resources.

Discipline for Violations

Violation of this policy will result in disciplinary action, up to and including immediate termination. The Company reserves the right to take legal action where necessary against employees who engage in unlawful conduct under this policy.

RECORDING IN THE WORKPLACE

Five Star believes that it is in the best interest of the Company and its employees to promote the free exchange of ideas, thoughts, and discussions in the workplace. The unapproved secret use of recording devices in the workplace is counter-productive to that goal.

Employees are therefore prohibited from using recording devices in the workplace to secretly record the conversations or activities of another person or persons, unless written approval is obtained from Human Resources and/or each individual who is the subject of the recording provides written consent to the recording in advance. Employees may also be restricted from using recording devices at customer locations. If asked to do so, employees may be required to leave recording devices, including personal phones, outside of meetings; the refusal to do so, or the secret recording of meetings after having been instructed to leave telephones outside, is grounds for disciplinary action, up to and including termination of employment.

For purposes of this policy, the term “recording device” includes, but is not limited to, hand-held tape recorders, cell phones, iPhones, Dictaphones, cameras, video cameras, and any other means of recording audio and/or visual communications.

The violation of this policy is grounds for disciplinary action, up to and including termination.

This policy in no way affects the ability of the Company to install and utilize at its facilities cameras and other recording devices for security-related purposes.

COMPANY PROPERTY

Understand that as an employee of Five Star Food Service, you are responsible for Company assets that are under your care, custody, and/or control. These assets include, but are not limited to, monetary funds, machines, vehicles, product, and electronic devices including tablets, smart phones, and laptops. If you are responsible in any way for the loss or damage to any Company asset while it is under your care, custody, and/or control, the Company may require you to reimburse it for the loss or damage. Also understand that this reimbursement does not eliminate the possibility of disciplinary or criminal action being taken against you by the Company.

This policy will not be applied in any way as to have the effect of (1) reducing a non-exempt employee's hourly wage rate below the statutory minimum wage or depriving him or her of any statutory overtime pay to which he/she is entitled, or (2) reducing an exempt employees' guaranteed salary.

When entrusted with keys, understand that you are responsible for keeping such keys in your possession or locked in the Company-designated secured area at all times. You are not to leave keys unsecured anywhere, including trucks, on breakroom tables, or in machine doors.

You agree to cooperate fully with any investigation into misconduct by an employee of Five Star.

You understand that your employment with Five Star is at-will and can be terminated by you or the Company at any time and for any reason.

COMPANY PROVIDED EQUIPMENT

It is the policy of Five Star Food Service to furnish for its employees the equipment and specialty tools needed for the work to be performed. The proper use and maintenance of Company-owned tools is required of all employees.

Because Company equipment must be available to meet the needs of the Company's business, the non-business use of Company equipment is prohibited, absent prior supervisory approval.

Each supervisor will maintain an accurate list of all Company-owned equipment assigned to his or her personnel. Any problems resulting from improper use or maintenance of Company-owned tools and equipment should be immediately reported to the General Manager. Likewise, the General Manager should be immediately notified of any lost or missing equipment.

In accordance with the Company's "Search, Inspection, and Investigation" policy, Company provided lockers, workspaces, communication devices, any and all storage spaces, and vehicles are property of the Company and subject to search at the Company's discretion.

COMPANY OWNED VEHICLES

Five Star Food Service and its various business entities provide Company owned vehicles for certain management, sales, supervisory, and vending repair personnel for business use. In some instances, these people are allowed to drive their assigned vehicles home.

Except as otherwise provided herein, it is the policy of Five Star that the vehicle be utilized for business purposes and not for personal use. No unauthorized passengers are permitted in any Company owned vehicles.

In compliance with federal law we are required to report, at the end of each year, all employee business vehicle usage as follows, with the exception of route trucks not driven home:

\$3.00 per day, 5 days per week less vacation time, is added to the gross income on your W-2. The amount of the FICA and Medicare on that amount is deducted from your pay. For example, if you work a full year your gross income will include earnings of \$750.00, and \$57.38 will be deducted as FICA and Medicare. The FICA and Medicare rates may be changed as necessary based on changes in government regulations.

If an individual uses his/her Company vehicle for personal use, which must be approved in advance, then the employee will be charged by the Company on a "per mile" basis at a rate of .20 per mile, and this amount will be added to the individual's W-2 form and become part of their taxable income for that calendar year.

No family member or non-employee is to operate a Company owned vehicle at any time unless there is an emergency requiring that they do so, such as a medical emergency.

Employees are expected to obey all traffic laws while operating a vehicle on Company business. Employees are expected to operate their vehicles in a safe, courteous, and appropriate manner under any and all driving conditions. In addition to the violation of applicable traffic laws, the operation of a vehicle on Company business in an unsafe, aggressive, or threatening manner is grounds for disciplinary action, up to and including termination of employment, as well as the revocation of driving privileges on behalf of the Company. A driver whose driving privileges are suspended or revoked will not be entitled to a transfer to another position that does not require the operation of Company vehicles.

Please see the Company's "Cellular Phone Use" policy for additional information regarding the use of cell phones and other communication devices while operating a vehicle on Company business.

Employees will be responsible for any fines or moving and/or parking violations incurred while operating a Company vehicle (or a personal vehicle while engaged in Company business).

USE OF PERSONAL VEHICLES ON COMPANY BUSINESS

If an employee is required to use his/her personal vehicle on Company business, he/she will be reimbursed at the current IRS rate. The mileage should be recorded on the appropriate Five Star Expense Report Form and turned in to the supervisor for approval. Carrying passengers while using your vehicle on Company business is prohibited unless done for business-related reasons and with supervisory approval. Additionally, employees must provide proof of insurance with acceptable coverage.

CASHIER POLICIES AND PROCEDURES

At all times, cashiers are responsible for any and all funds placed under their control.

1. All cashiers shall count and sign for their banks at the beginning of their shift.
2. Cashiers shall initial their cashier log and set up their register before the beginning of their shift.
3. All cashiers shall ensure that a beginning register reading has been taken before they begin the shift.
4. All cashiers shall ensure that the correct date is set on their register. If date is incorrect, the supervisor must be notified.
5. All cashiers shall ring **ALL** sales immediately without delay.
6. Cashiers shall provide receipts to all customers for each transaction if specified by the client.
7. Register drawers shall be closed between transactions.
8. Cashiers shall place bills on register ledge until transaction is completed.
9. Cashiers shall not leave registers unattended with the keys in the register. Unattended registers shall be locked and the keys removed.
10. Only one person shall work from a register drawer during each shift. Any exceptions must be noted and discussed with the appropriate Dining Service Director.
11. Cashiers are responsible for knowing the prices of items on the menu and accurately ringing sales at all times.

12. All cashiers will count their closing cash in the presence of a Company witness. Cashiers will complete the cashier report in its entirety at the end of the shift and sign the report log indicating the amount of the deposit and any over/short.
13. Any cashier who is over/short a total of \$5 generally will receive disciplinary action, up to and including termination, and may be removed from cash handling.
14. Over-rings shall be approved by management. All over-rings shall be documented on the over-ring record and have the receipt attached.
15. Cashiers working in single staff operations shall observe the established policies for register/deposit contents inventory, and beginning and ending reading procedures, in addition to any established procedures for asset security at the site.
16. Cashiers are subject to unannounced register audits at any time by an authorized member of management.
17. Cashiers shall not accept personal checks.
18. Cashiers shall notify management immediately of customer complaints of being shortchanged.
19. There will be no co-mingling of personal funds and Five Star funds.
20. No personal items shall be kept at the register station. This includes wallets, purses, handbags, backpacks, coats, food containers, etc.
21. Cashiers will not eat or drink anything while at the register. Cell phones may not be used or kept at the register station.

The violation of any of these policies may result in disciplinary action, up to and including termination of employment, and the cashier may be held responsible for any and all cash shortages. The total amount of the loss will be deducted from any nonexempt employee's paycheck unless such deduction would take the employee's wages below the federal or state minimum wage, would deprive the employee of any overtime pay to which he or she is entitled, or is prohibited by state law. For salaried exempt employees, this offset will be applied to the employee's Management Incentive Bonus and not to the employees' salary.

DRIVING RECORD

Point Accumulation Current = Current employee

New = Upon Hire

Violations

Status

6 points within 1 year.....Current: Written Warning;
New: Conditional Status 1 Yr.

8 points within 1 year.....Current: Written Warning and
Mandatory Safe Driving Training
New: Ineligible for hire

9 points within 1 year.....Current: Ineligible for driving
New: Ineligible for hire

10 points within 2 years.....Current: Written Warning and
Mandatory Safe Driving
Training New: Conditional
Status 1 year

12 points within 2 years.....Current: Written Warning

New: ineligible for hire

13 points within 2 years.....Current: Ineligible for driving
New: Ineligible for hire

13 points and above within 3 yearsCurrent: Ineligible for driving
New: Ineligible for hire

Any Driver completing a designated Safe Driving Course will be credited with 2 points toward their total point accumulation for one year. Safe Driving Course expense is the responsibility of the employee.

An individual whose job with Five Star would require driving a Company vehicle (or personal vehicle on Company business) and who has multiple convictions for driving under the influence (DUI) will be deemed ineligible for hire (job applicant) or subject to immediate termination (employee).

A Driver who is deemed "ineligible for driving" under this policy will not be eligible for reassignment to an alternate position within the Company.

DRIVING RECORD POINT SYSTEM

| <u>Violations</u> | <u>Points</u> |
|--|---------------|
| Reckless Driving—willful and wanton | 6 |
| Reckless Driving | 4 |
| Leaving the scene of an accident | 6 |
| <u>Unlawful Speed</u> | |
| Not in excess of 20 mph of lawful posted speed | 3 |
| In excess of 20 mph of lawful posted speed | 4 |
| <u>Other Violations not resulting in an accident</u> | |
| All other moving violations not resulting in an accident | 3 |
| Driving Under the Influence of alcohol or drugs (DUI) | 9 |
| Passing a stopped school bus | 4 |
| Driving Under the Influence of alcohol or drugs in a Company Owned Vehicle- <u>Termination of Employment</u> | |
| <u>Accidents</u> | |
| Unlawful speed resulting in an accident | 6 |
| Driving Under the Influence of alcohol or drugs (DUI), resulting in an accident | 13 |
| All other moving violations resulting in an accident | 4 |

Notwithstanding this point system, Five Star reserves the right to take appropriate action to address the operation of company vehicles (or the operation of personal vehicles on Company business) in an unsafe or inappropriate manner, including, but not limited to, disciplinary action up to termination of employment, as well as the revocation of driving privileges.

If your driving privileges are suspended for any reason, you must notify your supervisor immediately. Failure to notify your supervisor may result in disciplinary action up to and including discharge

DRIVER RESPONSIBILITY AND ACCOUNTABILITY

Route accountability standards are as follows: Over/Short must be less than .3%
Food Waste must be less than 11% Snack Waste must be less than .5%
It is expected that all Vending personnel are within these standards.

It is expected that all Micro Market merchandisers and Hybrid route merchandisers adhere to the following standards.:

- A complete and accurate inventory must be taken in each micro market location that is assigned to a micro market merchandiser or hybrid route merchandisers route a minimum of one (1) time per month.
- Micro Market Merchandisers and Hybrid route merchandisers are responsible for conducting ongoing spot check inventory verifications as needed in all market locations that are assigned to their assigned territories. These checks may be necessary in cases where products are missing from markets, coolers, shelves or freezers. Merchandisers may need to check on hand inventories and may need to make on hand inventory adjustments for missing products.
- Food waste percentage must be less than 8%.
- Snack waste must be lower than 1%.

All employees of Five Star Food Service who drive Company vehicles must have a valid driver's license. A Commercial Driver's License is required for all employees who operate Company vehicles with a gross vehicle weight rating in excess of 26,000 pounds. The driver's license must be in the possession of the employee when the vehicle is being used. Drivers of all vending route vehicles will maintain a DOT medical certificate. All occupants are required to wear seat belts in all Company vehicles. You are responsible for all citations/tickets incurred while driving a Company vehicle.

If your Company vehicle is involved in any accident, regardless of the severity or the amount of damage, you must immediately report the accident. Incident reporting forms are provided by your supervisor and must be in each vehicle. Secure from the other party all the necessary information. Not reporting an accident will result in disciplinary action up to and including termination of employment. Never make an admission of fault or attempt to settle potential claims with the other parties involved in the accident or any insurance company(ies).

The Company is responsible for damages to the vehicle if the driver is involved in an accident while on Company business unless the driver is determined by the insurance Company or legal authorities to have fault. If fault is determined, and in accordance with applicable law, the driver will be responsible for the first \$500.00 of damages, whether to the Company vehicle or to anyone else's property. This \$500.00 will be deducted from any non- exempt employee's paycheck at the rate of \$25.00 per week until fully satisfied unless such deduction would take the employee's wages below the federal or state minimum wage, would deprive the employee of any statutory overtime pay to which he or she is entitled, or is prohibited by state law. If the employee terminates his or her employment or is terminated for any reason, the balance of any sum owed to the Company will be deducted from the employee's final paycheck(s) to the extent allowed by law. For salaried exempt employees, this offset will be applied to the employee's Management Incentive Bonus and not to the employee's salary.

Employees who drive Company vehicles are responsible for the following:

1. Maintaining the cleanliness of the inside of the vehicle.
2. Checking all fluid levels, tire wear and tear.
3. Completing daily vehicle inspection reports, as required by the DOT, recording accurate vehicle mileage, and recording any problems with the vehicle.
4. Making sure that the vehicle is equipped with an incident reporting kit, operable fire extinguisher, flares, and emergency reflectors.
5. Making sure the owner's card and insurance cards are in the vehicle.
6. Obeying all traffic laws.
7. Operating the vehicle at all times in a manner which is safe and professional, and not reckless, aggressive, or dangerous.
8. All route trucks, when unattended, must have all doors locked and padlocked when applicable. It is not permissible to leave a route truck running or leave keys in the ignition while unattended.
9. Monies transported in route trucks must be secured in locked safes at all times.
10. Route trucks, once in motion, must have all doors closed.
11. Carrying passengers while operating a Company vehicle is prohibited unless done for business reasons and approved by a supervisor.
12. Company provided fuel cards may only be used to fuel Company provided vehicles. Improper use of fuel cards will result in immediate termination.

In accordance with applicable law, should the neglect of any of the above responsibilities cause damage to a Company vehicle or result in a loss of Company funds, the driver will be financially responsible for the amount of damage. (E.g., if the truck runs out of oil because of failure to perform daily fluid level check and there is a need to replace the engine, the driver will be financially responsible for repairs.)

The total amount of the loss will be deducted from a nonexempt employee's paycheck at the rate of at least \$25.00 per week until fully satisfied, consistent with legal requirements. If employment is terminated for any reason, the balance y will be deducted from the employee's final check(s) to the extent allowed by law. For salaried exempt employees, these offsets will be applied to the employee's Management Incentive Bonus and not to the employee's salary.

If a truck robbery and/or break-in occurs and a route person's violation of any of the above stated policies was a contributing factor, the route person will be responsible for all shortages of money and product, in accordance with applicable law. Disciplinary action up to and including termination of employment may also occur.

The Company may conduct thorough inspections of Company owned property and vehicles at any time.

Any exception to this policy must be approved by the Corporate Director of Human Resources and/or Corporate Director of Risk Management and be based on significant mitigating factors.

WORKPLACE SAFETY

Workplace safety is **everyone's** responsibility. Five Star Food Service strives to provide a safe work environment for all individuals. All employees, as a requirement for continued employment, are required to read and obey all safety rules.

If an accident occurs while on duty, an employee must report it immediately to his/her supervisor. Five Star is equipped to provide first aid for minor injuries to our employees, but if additional medical care is needed, the employee will be directed or transported to his or her choice of Panel of Physicians or emergency facility. *Use of a non-approved care provider may result in non-payment of that care provider by Five Star or its insurance carrier.* When reporting the injury or illness to your supervisor be sure that the supervisor knows when, where, and how the accident occurred, and the names of any witnesses to the injury.

Employees involved in work-related accidents resulting in off-site medical treatment may be required to submit to drug and alcohol testing. Individuals on Company business who are involved in a motor vehicle accident regardless of fault may be required to submit for drug and alcohol testing. Any person who makes a fraudulent statement for the purpose of obtaining workers' compensation benefits will be subject to discipline, up to and including termination of employment, as well as possible civil and criminal penalties.

Five Star will support and maintain a return-to-work (RTW) program. It is our goal to maintain a safe workplace for our employees. When an injury does occur, our RTW program helps make the process of returning to work as smooth and efficient as possible.

An employee's absence due to an on-the-job injury may retain Company sponsored benefits at the employee rate. In those situations where FMLA applies, missed work time will also be counted toward the employee's leave pursuant to the FMLA. Five Star will follow all applicable FMLA guidelines and laws.

Extended leave following an on the job injury is unpaid (other than regular workers' compensation benefits) and runs concurrently with any available FMLA leave. Employees on Extended Leave beyond FMLA are not guaranteed reinstatement to the same or substantially similar job position at the end of the leave.

To remain eligible for Extended Leave, an employee who continues on Extended Leave after his or her FMLA leave (if any) has expired must contact his or her supervisor at least once every two weeks regarding the employee's return-to-work status, unless arranged otherwise in writing with the supervisor.

If after a year of Extended Leave, an employee is unable to perform the essential functions of any available job at Five Star for which the employee is qualified, with or without reasonable accommodation, the employee's employment will generally be terminated.

Five Star's Extended Leave policy will not be applied in any way that denies any employee his or her rights under the Americans With Disabilities Act and/or state law.

All Five Star Food Service associates should be alert for potential accidents and strive to eliminate hazardous conditions no matter how insignificant they seem. Only by working together and being responsible for our own safety and the safety of persons around us can we maintain a safe and secure work environment.

GENERAL SAFETY RULES

The following are general safety rules, applicable to all employees. Your individual position or work location may have additional safety rules which you must also follow. Following safety rules is a term and condition of your employment. Violation of general or position specific safety rules is serious and cause for disciplinary action, up to and including termination of employment.

1. All accidents, regardless of how minor, must be reported to management immediately.
2. Should you witness an unsafe or life threatening act by anyone, you must report this to management immediately.
3. If you are unsure of the safety or integrity of any equipment, the equipment should not be used. Report the condition to your supervisor immediately.
4. Proper lifting techniques must be used at all times.
5. "Horseplay" is not permitted.
6. When required by your position, Personal Protective Equipment (PPE) must be worn at all indicated times.

7. Dismantling any equipment in a manner which removes guards or other devices designed for the safety of the equipment is not permitted.
8. Standing on anything other than a ladder or step stool designed for that purpose is not permitted.
9. Careless or reckless operation of any Company vehicle, including forklifts or any other similar device, is not permitted.
10. Failure to follow safety rules specific to your site, including customers' site-specific rules, is cause for termination.
11. No item weighing more than 35 pounds may be lifted above shoulder height. No total load weighing more than 36 pounds may be lifted without help.
12. For those positions which require them, slip resistant/safety shoes must be worn at all times during work hours.

FIRE PREVENTION PLAN

You should know where the exits and fire extinguishers are located and how to use them. Exits must be completely clear at all times. At all times, employees should ensure that aisles, doorways, etc. are kept free from obstructions. Employees should check to assure that flashlights and other equipment needed in the event of an emergency are in working order. You will be expected to attend scheduled classes and meetings of instruction.

SOLICITATION AND DISTRIBUTION

To avoid disruption of Company operations, the following rules shall apply to solicitations and distribution of literature on Company property.

“Solicitation” means any oral communication offering or requesting money; goods; services; patronage of any business; or the support of any cause, group or organization. “Distribution” means the distribution, transmission, or posting of written or electronic materials of any type for the same purposes. For the purpose of this policy, distribution of union authorization cards is considered solicitation.

Outsiders: Persons who are not employed by the Company may not engage in Solicitation or Distribution on Company property at any time for any purpose.

Employees: Employees of the Company may not engage in Solicitation during Working Time for any purpose. “Working Time” includes the working time of both the employee doing the Solicitation and the employee to whom the Solicitation is being directed. Working Time does not include break periods. Employees may not engage in Distribution during Working Time or at any time in Working Areas. “Working Areas” means any area in which any Five Star employee works.

With the prior approval of management, an exception to the above rules may be allowed for Company-sponsored fundraising for charitable purposes.

HANDBOOK ACKNOWLEDGMENT

I have this day received a copy of the Five Star Employee Handbook, and I acknowledge my obligation to read and understand the personnel policies and practices described within it. I agree to follow the policies and procedures in the handbook. I understand and agree that the handbook is intended to provide an overview of the company's policies and does not necessarily represent all the policies in force. I understand that the company may at any time change, modify or delete any policy of practice with or without notice, with or without retroactive effect, as determined by Five Star in its sole and absolute discretion, except that the company will not modify its policy of employment at will. I understand that neither this manual nor any other communication by a management representative is intended to create a contract of employment, and that either I or the company may terminate my employment at any time, with or without cause, and with or without notice. I acknowledge that as used in the employee handbook "Five Star" refers individually and collectively to all of the divisions of Five Star, as well as corporate offices. If I have questions regarding the content or interpretations of this handbook, I will bring them to the attention of my supervisor.

NAME _____

DATE _____

EMPLOYEE SIGNATURE _____

WORKPLACE VIOLENCE POLICY ACKNOWLEDGMENT

I hereby acknowledge that I have read and understand Five Star's Workplace Violence Policy. I understand that engaging in prohibited behavior under the policy may result in discipline, up to and including removal from Company premises, termination, and legal action. I agree to uphold Five Star's Workplace Violence Policy.

NAME _____

DATE _____

EMPLOYEE SIGNATURE _____

DISCRIMINATION AND HARASSMENT POLICY ACKNOWLEDGMENT

I hereby acknowledge that I have read and understand Five Star's Discrimination and Harassment Policy. I understand that engaging in prohibited behavior under the policy may result in discipline, up to and including termination of employment. I agree to uphold Five Star's Discrimination and Harassment Policy, including, but not limited to, the reporting of any and all inappropriate workplace conduct of which I become aware during my employment.

NAME _____

DATE _____

EMPLOYEE SIGNATURE _____

Please return signed copy to the Division Office for file.