

Information Handbook
for
Employees
of
Blue Springs Ford
Lee's Summit Honda
Lee's Summit Subaru

2013

This handbook is the property of Blue Springs Ford, Lee's Summit Honda and Lee's Summit Subaru and must be returned upon request or at time of separation from employment.

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Foreword

We believe in keeping employees fully informed about our policies, procedures, practices, benefits, what employees can expect from the dealership, and the obligations assumed as an employee of the dealership. This practice is designed to provide fair treatment of employees. All employees are expected to become familiar with the policies, procedures, practices, and benefits of the dealership. This handbook is intended to provide employees with basic information. The policies and practices described in this handbook reflect a great deal of concern for the people who make it possible for the dealership to exist... **its employees.**

Because the dealership is a growing, changing organization, it reserves full discretion to add to, modify, or delete provisions of this handbook at any time without advance notice. For this reason, employees should check with the General Manager to obtain current information regarding the status of any particular policy, procedure or practice. No individual other than the President of the dealership has the authority to enter into an employment agreement or any agreement that modifies dealership policy. Any such modification must be in writing and must be signed by the President of the dealership.

All employment at the dealership is at will. At will means that both employees and the dealership have the right to terminate employment at any time, with or without advance notice, and with or without cause. No one other than the President of the dealership has the authority to alter this agreement, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this policy, and any such agreement must be in writing and must be signed by the President of the dealership.

Descriptions of various fringe benefits in this handbook are summaries only. Should the descriptions with any formal agreement or document involved, the formal agreement or document shall be considered correct.

This Handbook is not a contract, express or implied, guaranteeing employment for any specific duration. Although we hope that your employment relationship with us will be long-term, either you or the dealership may terminate this relationship at any time, for any reason, with or without cause or notice.

We wish you the best of luck and success in your position and hope that your employment relationship with the dealership will be a rewarding experience.

Mission Statement

Blue Springs Ford, Lee's Summit Honda, and Lee's Summit Subaru are committed to employee and customer satisfaction through shared leadership, integrity, and teamwork.

Management Philosophy

The dealership pledges to its employees that as long as the affairs of this dealership are in our hands, the following principles will govern our actions with employees.

Our employees and their welfare are very important to the success of our dealership. Our long range objective is the continuous development of a growing and prospering business through which both the employees and the dealership will benefit. Every employee is considered a member of our team. Our success as a dealership is built on the recognition of the skills and efforts made by each employee. It is our policy to work with all members of our team in a fair and friendly manner and to treat each team member with dignity and respect.

The management of the dealership will work continually for the benefit of our present and prospective customers as well as our employees to improve the competitive position of our dealership. This will enable us to provide excellent jobs for our team members.

The continued growth and success of our dealership depends upon the attitude and effort of each person employed by the dealership. We must maintain a reputation for quality, integrity and service. Each employee represents the dealership in his or her contacts with customers.

Our reputation with the customer is at stake—it is in the hands of each employee. An employee's actions and attitude can strengthen us or can quickly turn the customer against us. Employees have everything to gain by being courteous, neat, friendly, and helpful. We also have everything to lose by being discourteous, untidy, unfriendly and unhelpful. If just once we fail to serve our customers well, they may leave us, never to return.

No matter what position an employee holds within our dealership, it is important and vital that they remember our basic objective is to provide quality service to each and every customer.

Our business operation has always been conducted on an aggressive and profitable basis. This makes our dealership strong, both in a financial condition and a competitive position. Progressive and profitable dealerships can offer maximum security to their employees: good pay, good benefits and good working conditions.

The loyalty and fine performance of our employees is a tremendous factor in the success of the dealership. We consider our employees our most valuable asset. It is our hope that our association with you will last many years and you will strive daily to improve your position on the team.

General conditions such as safety, cleanliness, and employee accommodations will be evaluated periodically for possible improvement and will always compare favorably with good industry practice. We will be pleased to meet with any employee to discuss suggested improvements in working conditions.

We will devote our best effort to conducting an expanding business within which will promote an atmosphere of harmony with opportunity for all employees of the dealership.

The Management,
Blue Springs Ford
Lee's Summit Honda
Lee's Summit Subaru

Section 1 - Employment

A. Application for Employment

All candidates for employment with the dealership must fully complete, date, and sign the dealership's standard employment application form. *(A resume will not be accepted in lieu of a completed employment application.)* The application form should be completed in detail and signed by the applicant to verify the accuracy and completeness of previous employment and personal information.

Accuracy and honesty are of critical importance to the dealership. Therefore, the dealership may investigate any portion of the requested information at any time. The dealership reserves the right to deny or later terminate the employment of anyone giving false, misleading, or incomplete information. This right is reserved by the dealership during the entire employment relationship from the interview process, through employment.

The completed employment application form will be made part of the personnel file of those applicants accepted for employment.

B. Hiring Policies

Our hiring priorities are:

- i. Former dealership employees with proven safety, attendance and behavior records
- ii. Applicants recommended by current employees
- iii. Applicants with experience meeting the job opportunity
- iv. Other qualified applicants

All applicants must complete his or her application individually and in person at our business office. We will not accept faxed, photocopied or emailed applications. We base our hiring decisions on personal contact with individuals to determine who is best qualified. Applications will only be considered active for ninety (90) days.

When we are in need of applicants to fulfill a vacant position we may perform some, all or none of the following: run ads, post notices at trade schools, notify our employees, notify vendors, contact associations and any other methods deemed necessary. We will seek applicants that have a consistent history of making the wages we intend to pay for the position or less. We are not interested in applicants with a history of higher wages than we are paying, as they may become dissatisfied, and as such it is unlikely they will remain an employee long-term.

To be considered for employment an applicant is required to complete the application completely, and accurately. Their references will be checked and must provide a positive reference. Applicants who include unsolicited comments or nonresponsive information on their application will be disqualified for consideration for employment. Should an employee who has left our organization wish to be re-hired, we will review the circumstances of the individual's employment and departure from the dealership and make a decision based on the needs of the dealership at the time.

Applications must be fully completed or will not be considered. Unexplained gaps in employment histories will be a basis for disqualification. Falsification of applications will be a basis for disqualifying an applicant. If an employee has been discovered to have falsified an application, he or she shall be terminated. Applicants should have stable work histories.

C. Confirmation of Previous Employment

It is the policy of the dealership to request information from a prospective employee's previous employer in order to obtain the prospective employee's work record as it pertains to his or her application for employment.

D. Compliance Information

In order for the dealership to comply with federal government regulations regarding its practice to employ people without discrimination, it is necessary for the dealership to compile and maintain detailed information on each formal candidate for employment and those who are hired.

This information will include the candidate's or employee's sex, race, and veteran's status including service in the Vietnam era.

E. Immigration Law Compliance

The dealership is committed to employing U.S. citizens and aliens who are authorized to work in the United States and will not unlawfully discriminate on the basis of citizenship or national origin.

As a condition of employment and in compliance with federal law, each new hire must complete Section 1 of Form I-9 (Employment Eligibility Verification). The employee must also present an original document or documents that establish identity and employment eligibility within three (3) business days of the date employment begins or present a receipt showing application for the documents) within three (3) business days.

Identity can be established by providing documentation such as a current state-issued driver's license, a state-issued identification card, or similar document such as a school identification with photograph, voter's registration card, or military service record. An **employment eligibility** document is a Social Security card, a birth certificate, or an immigration document.

If the employee cannot provide proof of current work authorization within the specified time period, the employee will not be allowed to continue employment.

F. Medical Examinations

To help ensure that employees are able to perform their duties safely, medical examinations may be required.

For certain positions or under certain circumstances and after an offer of employment, a medical examination may be required. When a medical examination is requested, the medical examination will be conducted by a dealership appointed physician at the dealership's expense. Employment and assignment will be conditional pending the receipt of a satisfactory physician's report.

As a condition of continued employment, employees may also be required to undergo periodic medical examinations, and/or alcohol and drug screenings, at times specified by the dealership. When necessary, these exams will evaluate an employee's ability to perform the essential functions of the position or need for possible accommodation. Such examinations will be conducted for all employees in the same job category and will be scheduled at reasonable times and intervals. In connection with these examinations, employees are required to provide the dealership with access to their medical records, if requested. Further, it should be understood that the dealership receives

a full medical report from its examining physicians regarding the applicant's or employee's state of health.

All dealership-required medical examinations and alcohol and drug screenings are paid for in full by the dealership.

G. Drug-Free Workplace

It is the policy of the dealership to create a drug-free workplace in keeping with the spirit and intent of the Drug-Free Workplace Act of 1988. The use of controlled substances is inconsistent with the behavior expected of employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines the dealership's ability to operate effectively and efficiently. In this connection, the unlawful manufacture, distribution, dispensation, possession, sale, or use of a controlled substance in the workplace or while engaged in dealership business off the dealership premises is strictly prohibited. Such conduct is also prohibited during nonworking time to the extent that in the opinion of the dealership, it impairs an employee's ability to perform on the job or threatens the reputation or integrity of the dealership.

To educate employees on the dangers of drug abuse, the dealership has established a drug-free awareness program. Periodically, employees will be required to attend training sessions at which the dangers of drug abuse, the dealership's policy regarding drugs, the availability of counseling, and the dealership's employee assistance program will be discussed. Employees convicted of controlled substance-related violations in the workplace (including pleas of *nolo contendere*, i.e., no contest) must inform the dealership within five (5) days of such conviction or plea. Employees who violate any aspect of this policy may be subject to disciplinary action up to and including termination. At its discretion, the dealership may require employees who violate this policy to successfully complete a drug abuse assistance or rehabilitation program as a condition of continued employment.

The dealership is committed to providing a safe, efficient, and productive work environment for all employees; therefore, job applicants will be required to and current employees may from time to time be asked to provide body substance samples (such as urine and/or blood) to determine illegal use of drugs or alcohol. Any applicant who fails the drug test will not be accepted for employment unless the applicant decides on his/her own to go through a Drug and Alcohol Rehabilitation Program. Applicant may re-apply for employment after showing proof of completion and passing the drug test at that time. Any employee who refuses to submit to drug testing or fails such testing is subject to disciplinary action up to and including termination of employment.

Questions concerning this policy should be directed to the General Manager.

H. Motor Vehicle Record (MVR) Inquiry

Employees expected to drive dealership vehicles must provide the dealership with current and acceptable motor vehicle driving information. Employment and/or assignment will be conditional pending the receipt of a satisfactory report from the Department of Motor Vehicles. Employees driving records will be evaluated annually.

I. Equal Employment Opportunity

The dealership is built upon teamwork and equal opportunity. We will continue to be successful when people are treated fairly and allowed to advance and achieve their full potential. We are proud of the fact that we extend equal employment opportunities to all qualified employees and applicants for employment without regard to race, color, religion, sex, age, national origin, or disability, which if needing accommodation, may be reasonably accommodated as required by law.

We work hard to promote the fulfillment of human potential and equal employment. We will take action to ensure that all qualified minority group individuals, women, disabled persons, and disabled or Vietnam Era veterans are given the opportunity to know of openings, are encouraged to seek promotions, are considered for employment/promotion opportunities, and, when qualified, are hired or promoted.

All phases of employment including, but not limited to, recruiting, hiring, selection for training, promotion, demotion, discipline, rates of pay or other compensation, transfer, layoff, termination, recall, use of all facilities, and participation in all dealership-sponsored activities will be administered in a way that furthers the principle of equal employment opportunity.

J. Workplace Harassment

The dealership expressly prohibits any form of unlawful employee harassment based on race, color, religion, sex, national origin, age, or disability, or status as a Vietnam-era or special disabled veteran. Improper interference with the ability of the dealership's employees to perform their expected job duties is not tolerated.

With respect to sexual harassment, the dealership prohibits:

- a. Unwelcome sexual advances; requests for sexual favors; and all other verbal or physical conduct of a sexual or otherwise offensive nature. Sexual harassment will be regarded as a violation of this policy when:
 - Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
 - Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment; or
 - Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment.

- b. The management of the dealership considers the following conduct to be some examples of the type of acts which violate the dealership's sexual harassment policy:
 - Physical assaults such as rape, sexual battery, molestation, intentional physical touching which is sexual in nature;
 - Unwanted sexual advances, propositions or other comments such as unwelcome sexually oriented gestures, noises and remarks, preferential treatment for submitting to sexual conduct or conduct making the performance of an employee more difficult because of their sex;

- Sexual displays or publications displayed in the workplace which are sexually demeaning or pornographic, and reading sexually suggestive or pornographic literature.

K. Harassment Complaint Procedure

Each member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. No member of management will condone or ignore any act of sexual or workplace harassment and must take prompt and decisive action to stop sex or workplace harassment they are aware of. All members of management must promptly report all incidents of sexual or workplace harassment to personnel or the president of the dealership. Further, employees are also responsible for respecting the rights of their co-workers.

If you experience any job-related harassment based on your sex, race, national origin, disability, or another factor, or believe you have been treated in an unlawful, discriminatory manner, you must promptly report the incident to the head of your department, the director of personnel or the president of the dealership, who will undertake an investigation. Your complaint will be kept confidential to the maximum extent possible.

If the dealership determines after a thorough and complete investigation that an employee is guilty of harassing another employee, appropriate disciplinary action will be taken against the offending employee. Disciplinary action may include, but not be limited to, verbal warning, written reprimand, withholding merit increases or other means of compensation, suspension, or discharge. Records of all disciplinary measure will be permanently retained in the employee's personnel file. In addition, the harasser may be required to participate in appropriate training or counseling as part of the disciplinary process.

In addition to employees, agents, consultants, guests, customers, vendors and other nonemployees are forbidden to engage in any form of sexual harassment. Employees may refuse, without fear of reprisal, to work with a nonemployee who fails to refrain from sexual harassment. Any nonemployee who, in the sole opinion of the dealership, violates this Policy may be barred from the dealership's premises and the dealership may seek appropriate relief from the legal relationship between the offending nonemployee and the dealership.

The dealership prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy or for assisting in a complaint investigation. However, if, after investigating any complaint of harassment or unlawful discrimination, the dealership determines that the complaint is not bona fide or that an employee has provided false information regarding the complaint, disciplinary action may be taken against the individual who filed the complaint or who gave the false information.

The dealership recognizes the sensitivity and confidentiality of the information received during an investigation of workplace harassment. The dealership will try to keep all information and documentation confidential, where at all possible.

L. Affirmative Action

The dealership shall continue to base decisions on employment in a way that furthers the principles of equal employment opportunity by hiring and employing qualified, reliable, productive employees without regard to race, color, religion, sex, age, national origin, veteran's status, and mental or physical disability. In order to implement this policy, the dealership has adopted an affirmative action program.

The dealership will cooperate with federal, state, or local government agencies who have the responsibility of observing our actual compliance with various laws relating to employment. The dealership will furnish such reports, records, and other matters as requested in order to foster the program of equal opportunity for all persons regardless of race, color, religion, sex, age, national origin, disabled or Vietnam Era veteran status, or physical or mental disability.

The dealership has designated the Office Manager as its Equal Employment Opportunity Officer. The Equal Employment Opportunity Officer is responsible for coordinating all aspects of the Equal Employment Opportunity process to assure non-discrimination and compliance with all applicable orders and guidelines. Questions and/or complaints concerning equal employment opportunity should be directed to the dealership's Equal Employment Opportunity Officer.

M. Employment Provisions of the Americans With Disabilities Act (ADA)

Title I of the Americans With Disabilities Act prohibits discrimination in any terms or conditions of employment for qualified individuals with a disability. The Americans With Disabilities Act requires that employment decisions be based on the ability of a person to perform the essential functions of a job and not the person's disability or limitations. Further, it requires management to reasonably accommodate individuals with disabilities when necessary. To comply with the employment provisions of the Americans With Disabilities Act, the dealership will:

- identify the essential functions of a job;
- evaluate whether a person with a disability, with or without accommodation, is qualified to perform the duties; and,
- determine whether a reasonable accommodation can be made for a qualified individual.

N. Categories of Employees

Employees are designated as either non-exempt or exempt from federal and state wage and hour laws. Non-exempt employees are entitled to overtime pay under specific provisions of federal and state laws. Exempt employees are excluded from specific provisions of federal and state wage and hour laws and do not receive overtime pay. In addition to the non-exempt or exempt classification, employees are divided into the following categories for the purpose of compensation and benefit eligibility. Dealership policies apply to all categories of employees.

(1). Full-Time

Employees hired full time (32 hours or more) on a full work week basis for a continuous and indefinite period of time are considered full-time employees for all compensation and benefit purposes. According to new healthcare reform laws, eligibility for health insurance is 30 hours, and available after 60 days of continuous employment. 32 hours will be the standard for all other benefits.

(2). Part-Time

Employees whose work schedule is less than full time (*less than 32 hours*) on a full work week basis for a continuous and indefinite period are considered part-time employees for all compensation and benefit purposes. Part-time employees are eligible for some benefits by specific reference only.

(3). Temporary

Dealer Trade Drivers or employees hired as temporary replacement for full-time or part-time employees, or for short periods of employment such as summer months, peak periods, and vacations are considered temporary employees. Temporary employees are not eligible for benefits regardless of the number of hours or weeks worked.

O. Benefit Eligibility

The term "*eligible employee(s)*" used in *Section 3: Benefits* of this handbook refers to full-time employees, unless otherwise designated. Each employee will be advised of the status of his or her position when he or she is hired.

- Full-time employees are entitled to the benefits stated in this handbook provided they qualify for each individual benefit.
- Part-time employees are entitled to those employee benefits specifically designated.
- Temporary employees are not eligible for benefits.

P. Orientation

Following the acceptance of employment, the Department Manager will discuss job duties and areas of responsibility with a new employee. Dealership policies and procedures will also be reviewed. A copy of the Information Handbook for Employees will be given to each employee to read, review, and retain for future reference. The Manager will provide a tour of the dealership and will personally introduce the new employee to each department.

An *Acknowledgment of Receipt and Understanding* is included at the end of the handbook. After reviewing the handbook, each employee must sign two copies of the statement acknowledging his or her receipt of and his or her understanding of the information contained in the Information Handbook for Employees. One signed/witnessed copy of the *Acknowledgment of Receipt and Understanding* will remain in the employee's handbook. The other signed/witnessed copy of the statement must be returned to the Personnel Department within three (3) days of commencement of employment. This signed/witnessed copy of the statement will become part of the employee's personnel file.

The Information Handbook for Employees is the property of the dealership and must be returned upon request or at time of separation from employment.

Q. Evaluation Period

During the first ninety (90) days of employment, the dealership and each new employee are given an opportunity to evaluate whether the employment relationship should continue. Before the end of this ninety (90) day period, the employee's performance will be evaluated. An employee who satisfactorily completes the evaluation period will be notified by the appropriate department of his or her employment status.

During the evaluation period, an employee may voluntarily terminate employment without notice. If the performance of the employee is not satisfactory as determined by the dealership, the employee may be released with or without notice. The completion of the evaluation period should not be considered as a guarantee of permanent employment. The dealership evaluates employees on a continuing basis and reserves the right to terminate an employee at any time during or after the evaluation period.

R. Payroll Information

Following the acceptance of employment, each new employee will be given federal and state tax forms to complete. The completed forms, the employment application form, and information regarding starting pay, starting date and any other pay or benefit information will be forwarded to the Personnel Department.

S. Continuous Service Date

So that the dealership can maintain a record of the benefits for each employee, a continuous service date will be established for each full-time employee. The continuous service date will be the employee's first day of employment as a full-time employee and will continue uninterrupted as long as he or she remains a full-time employee of the dealership.

T. Employment of Relatives

The dealership discourages the employment of close relatives, but may permit the employment of qualified relatives as long as in the sole opinion of the dealership, the employment does not create an actual or perceived conflict of interest.

For the purpose of this policy, a relative is any person who is related by blood or marriage or whose relationship with the employee is similar to that of persons who are related by blood or marriage (i.e., significant other or person residing in the same household).

For purposes of this policy, "relative" is defined as a spouse, child, parent, sibling, grandparent, grandchild, aunt, uncle, first cousin, or corresponding in-law or "step" relation. The dealership will exercise sound business judgment in the placement of related employees in accordance with the following guidelines:

- Individuals who are related by blood or marriage are permitted to work in the same dealership facility, provided no direct reporting or supervisory/management relationship exists. That is, no employee is permitted to work within the "chain of command" of a relative such that one relative's work responsibilities, salary, or career progress could be influenced by the other relative.

- No relatives are permitted to work in the same department or in any other positions in which the dealership believes an inherent conflict of interest may exist.
- Employees who marry while employed are treated in accordance with these guidelines. That is, if, in the opinion of the dealership, a conflict or an apparent conflict arises as a result of the marriage, one of the employees will be transferred at the earliest practicable time.

This policy applies to all categories of employment at the dealership, including regular, temporary, and part-time classifications.

U. Employment of Minors

The following provisions apply with respect to the dealership's employment age requirements:

- The dealership will fully comply with the Child Labor provisions of the Fair Labor Standards Act and applicable state statutes which govern the employment of minors.
- For purposes of insurance risk, it is the dealership's policy to discourage the employment of individuals younger than age 18 in any position with the dealership.
- Any individual hired for a hazardous position or required to drive a company vehicle must be 21 years of age.
- Should the dealership have any reason to question whether an individual applicant is under age 18, the applicant may be required to furnish proof of birth date.

V. Employment at Will

We hope that each employee's period of employment at the dealership can be a rewarding experience. However, we recognize that circumstances change with the passage of time and that some employees may seek opportunities elsewhere or choose to leave the dealership for other reasons.

Other employees may not fulfill the operational needs of the dealership or changed circumstances may reduce available employment opportunities which may result in involuntary terminations.

We sincerely hope that none of these situations occur, but realistically we have to acknowledge that the possibility does exist. Therefore, the right of the employee or the dealership to terminate the employment relationship *at will* is recognized and affirmed as a condition of employment.

At will means that both employees and the dealership have the right to terminate employment at any time with or without cause.

W. Employee Information

Employees are expected to keep the dealership informed about any major change which may affect their employment status. Each employee is responsible for promptly notifying the dealership of important changes in personal data. Personal data should be current and accurate at all times and any change of the following should be reported to the Personnel Department:

- Name
- Address
- Home telephone number
- Marital status
- Number of dependents
- Emergency telephone numbers and whom to notify in case of emergency
- Change of Beneficiary
- Driving record
- Authorized payroll deductions
- Additional education and special training courses

X. Personnel Files

The dealership will maintain a file on each employee. An employee's personnel file begins with his or her completed employment application form. From time to time various information will be added to this personnel file regarding an individual's employment status with the dealership. Personnel files are the property of the dealership and will be treated the same as any other confidential dealership information.

The following provisions apply with respect to the dealership's standards for establishing, maintaining, and handling employee personnel files:

- All official records concerning an employee will be kept up to date insofar as possible and all employees shall promptly report all pertinent personal information and data changes to the Personnel Department.
- Employees will be permitted to review their personnel files as permitted by applicable laws.
- Information regarding the medical condition or history of an employee will be kept in a file with restricted access.
- The personnel file of an employee terminating employment will be maintained in accordance with applicable state and federal laws.

Y. Contents of Personnel Files

Employee personnel files may include the following:

- Original employment application
- Employment Eligibility Verification (Form 1-9)
- Performance appraisal reports
- Disciplinary action notices
- Special commendation information
- Educational achievement records
- Status changes affecting employee's work and salary history
- Employee's resume (if submitted)
- Signed/Witnessed copy of Acknowledgment of Receipt and Understanding
- Signed/Witnessed copy Drug-Free Workplace Policy Employee Acknowledgment

Z. Employee's Request for Review of Personnel File

The following provisions apply with respect to an employee's request to review his or her personnel file:

- The Personnel Department will have the responsibility of coordinating the review of an employee's personnel file with the employee's immediate supervisor.
- A member of the Personnel Department staff must be present while the employee reviews his or her personnel file.
- The employee may take notes, but may not remove, deface or otherwise make notations on the documents in his or her personnel file.
- Upon request from the employee, the dealership may provide a copy of any item(s) in the employee's personnel file.

AA. Management's Review of Personnel Files

All information in employee personnel files is considered confidential. This information will only be available to the Personnel Department, the employee, senior management personnel, and supervisors or managers who are responsible for the employee. Any violation of this policy is considered a very serious offense.

One exception will be in a transfer situation where the supervisor of the department to which an employee may be transferred will be allowed to review the employee's file with the approval of the Personnel Department and the employee's immediate supervisor.

Section 2 - Working Hours and Pay

A. Working Hours

The dealership's normal work week begins at 8:00 a.m. Monday and ends at 5:00 p.m. Friday; however, regular working hours may vary depending on the particular job or department. Regular working hours are as follows:

| Category | a.m. | p.m. | Day(s) | Lunch/Meal |
|-------------------|-------------|-------------|---------------|-------------------|
| Office | 8:00 | 5:00 | MON-FRI | 1 hour lunch |
| Sales | 8:30 | 8:00 | MON-THU | 1 hour lunch |
| | 8:30 | 6:00 | FRI-SAT | 1 hour lunch |
| Service/ Parts | 7:00 | 6:00 | MON-FRI | 1 hour lunch |
| | 7:30 | 4:00 | SAT | 1 hour lunch |

Each employee is expected to complete a normal work day and work week and work any reasonable additional hours required to meet dealership needs.

The supervisor will inform employees of scheduled break and/or lunch periods. Employees are expected back at their work station ready to start work at the end of each scheduled break and/or lunch period. If overtime is required, employees will be expected to work any additional time necessary.

B. Overtime

Employees may be scheduled to work overtime when operating requirements or other needs cannot be met during regular working hours. Whenever possible, advance notification will be provided. If determined necessary, overtime work will be authorized by management beyond an employee's standard work week. Non-exempt employees will be paid overtime compensation in accordance with federal and state wage and hour provisions. Overtime pay is based on actual hours worked. Time off for vacation leave, sick leave, a dealership-observed holiday, or any leave of absence will not be considered as hours worked when computing overtime.

Any employee who fails to work scheduled overtime or works overtime without prior authorization from management may be subject to disciplinary action up to and including termination of employment.

C. Pay Period and Payment

1. Hourly Personnel

The pay period is weekly. Hourly personnel are normally paid on Friday for work performed Thursday of the previous week through Wednesday of the current week.

2. Sales and Management Personnel

The pay period is first day of the month until the 15th day and 16th day to the end of the month. Sales and Management personnel are normally paid on the 15th of the month for work performed the 1st through the 15th of the current month and on the last day of the month for work performed the 15th through the last day of the current month.

Bonus plans and commissions are based on a full month worked. No partial or pro-rated bonus or commission will be paid unless approved in advance by management.

D. Recording Time Worked

Government regulations require that the dealership keep an accurate record of time worked by employees in order to calculate pay and benefits.

Non-exempt employees are required to punch in when they report to work and punch out when they leave the premises. Nonexempt employees should not report to work more than five (5) minutes prior to their scheduled starting time and are not allowed to stay more than five (5) minutes after their scheduled work day has ended unless otherwise approved by their supervisor.

It is the employee's responsibility to sign his or her time record to certify the accuracy of all time recorded. The Supervisor will review and then initial the time record before submitting it for processing. In addition, if corrections or modifications are made to the time record, both the employee and the Supervisor must verify the accuracy of the changes by initialing the time record.

It is a violation of dealership policy for one employee to enter another employee's time, alter another employee's time record or alter his or her own time record without permission.

If an employee has a question concerning his or her time record, he or she should discuss the matter with his or her supervisor.

E. Attendance

Regular and on-time attendance is expected for efficient operations at the dealership. Excessive absenteeism and tardiness is not only inconvenient but also causes costly problems. While it is recognized that an occasional illness or extenuating personal reason may cause unavoidable absence from work or tardiness, regular on-time attendance is required for continued employment.

Employees are expected to personally make the effort to notify the dealership of any absence or tardiness with as much advance notice as possible. Employees should contact their supervisor directly to report any absence or lateness prior to their starting time so that arrangements may be made to alter the distribution of work if necessary. If the Supervisor is not available, then the employee should notify the General Manager of the absence or lateness.

Any employee who, in the opinion of the dealership, fails to maintain an acceptable attendance record will be subject to disciplinary action. Unexcused absence or tardiness will affect future promotions and/or raises.

If any employee is absent from work for two (2) consecutive working days without informing his or her supervisor, it will be assumed that the employee resigned and employment will be terminated as of the last day worked by the employee.

F. Unexcused Absence

The following describes the disciplinary actions that will result from unexcused absence. However, the dealership reserves the right to take disciplinary actions other than those specified and in an order other than listed below:

1st Offense Verbal reprimand with written notice to employee's personnel file

2nd Offense Written notice (copy to employee's personnel file)

3rd Offense Subject to termination after management review

G. Tardiness

Tardiness applies to returning from lunch and/or break periods as well as the beginning of the work day. The following describes the disciplinary actions that will result from tardiness, but the dealership reserves the right to take disciplinary actions other than those specified and in an order other than listed below:

1st Offense Verbal reprimand with written notice to employee's personnel file

2nd Offense Verbal reprimand with written notice to employee's personnel file

3rd Offense Subject to termination after management review

H. Family Emergency

In the event the Personnel Department receives word of an emergency related to a member of an employee's family, the employee will be notified as soon as possible. Should the employee be at a location away from his or her normal workplace, arrangements will be made to contact the employee, and if necessary, arrange for the employee to return home immediately. It is the employee's responsibility to ensure their emergency contact information is current with the Personnel Department.

I. Severe Weather Conditions and Emergency Closings

If there is any question regarding hours of work during severe weather or in an emergency situation, employees are responsible for contacting their supervisor regarding opening and closing hours.

Unless otherwise notified, employees are expected to be at work on time. If an employee arrives late, leaves early, or otherwise alters his or her normal work schedule without prior approval from management, he or she will be expected to make up this time.

J. Performance Evaluations

Performance of employees will be evaluated periodically by management. The evaluation may consist of a personal interview during which an employee's strengths and weaknesses will be discussed and evaluated and recommendation for improvements may be made. These interviews help to identify the short and long-range goals of employees and determine how they interrelate with the dealership's purpose and objectives.

Any recommendation for promotion, change of duties, or increase in pay must be approved by the Personnel Department before any change takes effect. A performance evaluation does not necessarily mean a change in pay or duties.

K. Advancement

The dealership believes in promoting from within the dealership. We want employees to have the opportunity for promotion to higher paying positions within the dealership. A promotion may be based on such factors as quality and quantity of work, prior job performance, experience, educational background, attendance record, safety record, and the ability to work well with others.

We reserve the right to look outside the organization if we feel that an employee with the best qualifications cannot be found within the organization.

L. Incentive Programs

From time to time the dealership and/or a manufacturer may announce incentive programs that may affect one or more departments. Incentive programs may take the form of cash, travel or recognition awards. The dealership also has a "*BIRD DOG*" program which provides a cash award to an eligible employee who refers a new customer who ultimately purchases a vehicle from the dealership. If a family discount has been applied to the purchase, the employee is not eligible for referral monies.

M. Payroll Deductions from Gross Pay

The dealership will make arrangements for payroll deductions for the following:

- Federal and state income taxes
- Social Security taxes
- Past due taxes
- Garnishments (*including child support*) or other court ordered wage deductions
- Employee's portion of group insurance premiums for individual and any covered eligible dependents
- Uniforms
- Loss, damage or destruction of dealership property
- 401(k) Retirement Savings Plan contributions

Any deductions (*other than statutory deductions*) must be authorized by the employee. No other deductions will be made unless specifically authorized in writing by the employee. All deductions will be itemized on the employee's pay check stub. Questions regarding payroll deductions should be directed to the Payroll Department.

N. Error in Pay

The dealership takes precautions to ensure that employees are paid correctly; however, if an error does occur, the employee should notify the Personnel Department. The dealership will make every attempt to adjust the error no later than the employee's next regular pay period.

O. Garnishment of Employment Wages

Garnishments are court orders requiring an employer to withhold specified amounts from an employee's wages for payment of a debt owed by the employee to a third party. State law requires the dealership to honor garnishments of employee wages (including child support) as a court or other legal judgment may instruct. The law also provides for an administrative fee to be charged when a garnishment occurs.

P. Authorized Check Pickups

If an employee is absent on pay day and instructs someone to pick up his or her pay check, a note signed by the employee authorizing the person must be provided before the check can be released. The person picking up the pay check must show proper identification and sign for the check. This policy protects both the employee and the dealership.

Q. Advances and Loans

Any employee charges will be deducted in full from next pay check unless approved by Dealer or General Manager.

Section 3 - Benefits

The dealership voluntarily tries to provide a well-balanced program of benefits designed to meet the needs of employees and provide protection from financial hardship. These benefits will be reviewed periodically to attempt to keep pace with area practice.

The information contained in this handbook regarding employee benefits is not a contract to provide these benefits to any employee and no contract is to be implied or relied upon. The eligibility requirements of these benefits are described in the summary plan documents and/or benefits booklets.

Full-time employees are eligible for benefits provided by the dealership if they meet specific requirements.

At the present time, the dealership pays for some of the cost of the benefits. This is subject to change without notice. Questions concerning benefits and/or insurance claim information should be directed to the Personnel Department.

The terms of the benefit plans described are subject to change at any time by the insurer(s) or the dealership.

A. Vacation Eligibility

The dealership recognizes that employees need a scheduled time away from normal work duties for their personal well being. The dealership grants annual vacation with pay to full-time employees who meet the following service requirements:

| Length of Continuous Service | Eligible Vacation |
|------------------------------|-------------------|
| Less than 1 year | 0 days |
| 1 year..... | 5 days |
| 2 years | 10 days |
| 3 years | 11 days |
| 4 years | 12 days |
| 5 years | 13 days |
| 6 years | 14 days |
| 7 years or more | 15 days |

B. Vacation Schedules

Vacation requests must be made at least thirty (30) days prior to the desired vacation time. Vacation may be taken at any time during the year after eligibility with the following provisions:

- Employees are expected to take their paid vacation time as a means of rest and diversion for themselves and their families.
- Vacation must be approved in advance by the employee's supervisor.
- If vacation days are not taken each year, they will be forfeited.
- Vacation time must be taken in minimum increments of one (1) day.

- A holiday observed by the dealership that falls during the vacation period will be considered as a paid holiday and not vacation time. This day of vacation may be taken at another time as approved.
- There will be no pro-rated vacations given for terminated Employees.
- Job requirements will always have precedence over vacation schedules.
- Length of service will be considered in the event a conflict of vacation schedules arises.

C. Vacation Pay

The following provisions apply with regard to vacation pay:

- Pay for vacation time will be at the employee's base rate of pay.
- Salespersons will be paid based on their average weekly earnings during the previous year.
- Service/Body Shop Technicians, Service Writers and Parts Countermeasures will be paid based on average earnings.
- All other personnel will be paid based on an hourly rate.
- Paid vacation time will not be considered as time worked for the purpose of computing overtime or bonus.

D. Observed Holidays

The dealership normally recognizes the following holidays; however, the dealership may decide to schedule work on a holiday depending upon job requirements.

Observed Holidays

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

The following provisions apply with regard to holidays observed by the dealership:

- When a recognized holiday falls on a Saturday or Sunday, its observance will be at management's discretion.
- Full-time employees who have completed ninety (90) days of continuous employment are eligible for holiday pay.
- To be eligible for holiday pay, an employee must also work the regularly scheduled

- To be eligible for holiday pay, an employee must also work the regularly scheduled work days before and after a holiday unless he or she is on an authorized vacation.
- Paid holiday time will not be considered as time worked for the purpose of computing overtime.

E. Group Health Insurance

Group health insurance is available to any employee who works 30 or more hours on a full work week basis for a continuous and indefinite period of time. Coverage will become effective on the first day of the month following sixty (60) days of employment.

As health care costs continue to rise, the dealership will attempt to provide suitable health coverage to its employees, but conditions may require that employees pay a larger portion or all of such health care coverage. When necessary, the dealership reserves the right to change the portion paid by employees for health insurance premiums.

If an employee previously covered by the dealership's group health insurance plan is laid off because of temporary lack of work or illness and is rehired within three (3) months of the layoff, the employee will become eligible to participate in the dealership's group health insurance plan on the first day of the month after rehire and acceptance by the insurance carrier.

The insurance carrier will provide eligible employees with a detailed summary of the insurance coverage provided.

F. Continuation of Group Health Insurance (COBRA)

The dealership will comply with federal regulations relating to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) which is designed to provide employees and eligible dependents with the opportunity to continue health insurance coverage at group rates in certain instances in which coverage would otherwise cease. The premium for this coverage is the sole responsibility of the employee or dependent. Further information may be obtained from the Personnel Department.

G. Group Life Insurance

Group life insurance is available to all full-time employees. Premiums for group life insurance are paid in full by the dealership. This coverage becomes effective at the same time as the group health insurance. Information will be provided together with the group health insurance booklet. Questions regarding group life insurance should be directed to the Personnel Department.

H. 401 (k) Retirement Savings Plan

This program enables employees to save for retirement on a pre-tax basis. Employees may elect to defer up the maximum amount allowed under the law. Employees are eligible to participate in the 401(k) Retirement Savings Plan following one (1) year of continuous service and having attained age 21 and may enter the Plan on the following calendar quarter.

The dealership does not match employee contributions in the first year of employment. However, under present dealership policy, after completing one (1) year of service (at least 1,000 hours worked) and beginning on the first day of the month following their employment anniversary date,

employees are eligible for matching dealership contributions.

Employee contributions are 100% vested immediately. Any matching dealership contributions added to an employee's 401(k) account are vested according to the following schedule:

| Years of Participation in the Plan | Vesting Schedule |
|---|-------------------------|
| Less than 2 years | 0% |
| At least 2 years | 20% |
| At least 3 years | 40% |
| At least 4 years | 60% |
| At least 6 years | 80% |
| 6 years or more | 100% |

I-J-K. Jury Duty, Funeral Leave and Personal Days combined may not exceed a total of five (5) days in a benefit year.

I. Jury Duty

When an employee is required to serve as a juror, time off will be granted as follows:

- The employee must have completed one year of employment to qualify for jury duty compensation.
- The employee must notify the Personnel Department upon receipt of a summons so that arrangements can be made to accommodate the employee's absence.
- A document from the court which shows the time spent by the employee and the amount paid to the employee must be submitted to the Personnel Department.

J. Funeral Leave

An employee, who has completed one year of employment, will be allowed time off in order to assist with funeral arrangements or to attend a funeral. Personal days should be used for this leave. If additional time is required, the employee may take unpaid leave time with the approval of their department manager.

| Family Member | Time Off Allowed |
|---|-------------------------|
| Spouse | 3 days |
| Parent/Stepparent | 3 days |
| Child/Stepchild | 3 days |
| Brother/Stepbrother/Sister/Stepsister | 3 days |

| | |
|-----------------------------------|--------|
| Grandparent..... | 3 days |
| Grandchild..... | 3 days |
| Mother-in-Law/Father-in-Law..... | 3 days |
| Son-in-Law/Daughter-in-Law..... | 3 days |
| Brother-in-Law/Sister-in-Law..... | 3 days |

K. Personal Days

The dealership allows employees three (3) paid personal days per year calculated on the employees anniversary date. The following provisions apply:

- Upon completion of one (1) year of continuous employment, eligible employees may request the use of personal days due to illness or medical related time off.
- Personal day benefits are calculated on the basis of a benefit year. The twelve (12) month period that begins when the employee starts to earn personal day benefits. These benefits will be calculated based on regular hourly rate of pay at the time of absence and will not include any special forms of compensation such as incentives, commissions, bonuses or shift differentials.
- Personal days will not be allowed to accumulate.
- Personal days will not be considered as time worked for the purpose of computing overtime.
- Personal days must be pre-approved by a supervisor in advance, unless it is being used for unplanned illness or emergency situations.
- When an employee cannot report to work, the employee must contact his or her supervisor before the start of the employee’s scheduled work day. This should be done for each day missed so that necessary arrangements may be made to redistribute work.
- The dealership reserves the right to request an explanatory note from the employee's physician should an absence extend beyond two (2) consecutive working days due to a non-job related illness or injury.

L. Voting

The dealership encourages its employees to vote in every election; however, time off is not provided for voting with or without pay. Employees should plan to vote prior to or following normal work hours.

M. Family/Medical Leave

In general, an employee who has completed at least twelve (12) months of continuous service with the dealership and performed at least 1,250 hours of service in the prior 12-month period is eligible to receive an unpaid family/medical leave in accordance with the Family and Medical Leave Act of 1993 (FMLA). The following provisions apply with regard to the family/medical leave policy for employees of the dealership:

- Family/medical leave may be taken only if it is made necessary due to one of the following reasons:
 1. within 12 weeks of the birth of a child of the employee in order to care for the child;
 2. within 12 weeks of the placement of a child with the employee in connection with adoption or foster care in order to care for the child;
 3. a serious health condition of the employee's child, parent, or spouse;
 4. a serious health condition of the employee which prevents him or her from performing the essential functions of his or her job.
- Employees will be required to use their paid vacation, personal, or sick leave for any part of the twelve (12) week period. The dealership will provide only enough unpaid leave to total twelve (12) weeks.
- In no instance does the federal law require the dealership to grant more than a total of twelve (12) weeks of unpaid leave in any consecutive twelve (12) month period.
- If an employee and his or her spouse both work for the dealership, they would be eligible for a single twelve (12) week period which they can split between them; however, if the need for leave is for their own serious health condition or that of their spouse or child, each would be eligible for a total of twelve (12) weeks.
- Any leave granted to an eligible employee under this law because of a serious health condition of a family member may be taken consecutively or intermittently depending on the legitimate needs of the employee. The employee must make a reasonable effort to schedule such leave so as not to disrupt the dealership's business operations.
- Any leave granted due to the birth or adoption of a child must be taken consecutively unless otherwise agreed to by the dealership and must be completed within one (1) year of the birth or adoption.
- During the leave, the employer will maintain the employee's health care coverage under the same conditions as coverage would be provided if the employee were continuously employed during the entire leave period. Both the employer and the employee will be responsible for payment of their share of the premium during the leave period.

- Eligible employees must provide reasonable prior notice to the dealership when requesting a leave of absence under the law. The dealership may require an employee to provide certification issued by a licensed health care provider in order to ensure that the employee meets the eligibility requirements.
- Under FMLA, the dealership may deny reinstatement after a leave to an employee who is among the highest paid 10% of employees if the employer determines and can establish that substantial and grievous economic injury would result from reinstatement at that time.

For more information about family/medical leave, contact the Personnel Department.

N. Military Leave

It is dealership policy to grant a leave of absence without pay to employees who participate in U. S. Armed Forces Reserve or National Guard training programs in accordance with the provisions of the Universal Military Training and Service Act.

O. Social Security

Social Security provides benefits for employees and their families as specified by law in the event of retirement, hospitalization after age 65 (Medicare), total and permanent disability before age 65, and death at any time.

The dealership matches the amount of Social Security taxes paid by each employee. Contact the local Social Security Office for details.

P. Workers' Compensation

Employees of the dealership are covered by Workers' Compensation insurance which is purchased by the dealership in the state in which it operates. This insurance provides compensation to an employee for lost wages caused by illness, accidental injury, or death suffered in the course of, or as a result of his or her employment with the dealership in accordance with the laws of the state of Missouri.

1. Eligibility

Eligibility for benefits under Workers' Compensation insurance is automatic and is effective on date of hire.

2. Reporting

A report must be filed within twenty-four (24) hours of the onset of illness or injury.

3. Benefits

Workers' Compensation benefits provide weekly payments based upon a statutorily specified amount of the employee's regular earnings as well as payments for medical and dealership expenses arising out of an occupational illness or injury.

4. Effect on Continuous Service Date

Any time lost by an employee due to an occupational illness or injury covered by Workers' Compensation insurance will be credited as active service for all dealership benefits.

The dealership will comply with all state and federal laws pertaining to Workers' Occupational Diseases and Workers' Compensation.

Q. Unemployment Compensation

Unemployment compensation is another form of insurance which is paid for entirely by the dealership. Unemployment compensation helps employees meet a loss of income resulting from unemployment beyond their control by paying certain benefits while they are out of work. This form of protection is in addition to group insurance, Social Security, and Workers' Compensation.

R. Employee and Family Vehicle Purchases

Full time employees are entitled to certain privileges on items sold by the dealership after completing three (3) months of continuous service. This policy excludes limited edition or limited production vehicles. The following guidelines reflect our policy on employee vehicle purchases:

1. New and Used Vehicles

- Employee purchases from the dealership will be approved by the GM or Dealer
- The dealership does not sell wholesale vehicles to employees
- GM or Dealer will approve all trades
- Purchases must be for personal use, not resale
- Special pricing will be available to employees based on availability and model at discretion of the dealership.
- The dealership may publish prices or promotional rates for employees

2. Collision Repair, Parts and Service Discounts

- Employees will be allowed to purchase parts for their personal vehicles at cost plus 10%
- Service on an employee's personal vehicle is available at our regular labor rate less 35%
- Discounts on vehicles, parts and service are restricted to employees and their personally owned vehicles
- No discount shall apply for insurance work (discount towards the deductible will be at the discretion of the manager)

- Immediate family members will receive a discount of cost plus 15% on parts and retail minus 25% on labor. No discounts on insurance work.
- Any discounts on non-personally owned vehicles will be at the discretion of management.

Section 4 - Transfer Of Employees and Separation From Employment

A. Transfer of Employees

Transfer of employees from one department to another or from one location to another for the dealership's convenience may be made to meet dealership requirements. A request for transfer should be made in writing and submitted to the General Manager for consideration. A transfer may be made if management determines it is in the best interest of the dealership and the employee.

B. Separation from Employment

An employee may be separated from employment voluntarily or involuntarily by retirement, voluntary resignation, lack of work, or termination. Usually, before an employee is terminated, he or she will be told the reason(s) and will be counseled by his or her supervisor. However, if any misconduct warranting discipline is severe enough, the supervisor has the authority to discharge the employee immediately.

The supervisor will advise the personnel department immediately of the date and reason for terminating an employee.

All dealership property in the employee's possession must be returned to the supervisor upon separation from employment before the final pay check is released.

C. Voluntary Resignation

Any employee who voluntarily resigns his or her position with the dealership is expected to provide the dealership with advance written notice of at least two (2) weeks.

If the employee does not provide advance notice as requested, the employee will not be eligible for rehire.

D. Exit Interview

An employee planning to leave the dealership may be asked to participate in an exit interview. In addition to discussing his or her decision to leave the dealership with his or her immediate supervisor, a member of the personnel department staff may meet with the employee prior to the termination. Discussion concerning the reasons for leaving will assist the dealership in evaluating the effectiveness of its personnel policies and practices. At the time of the exit interview matters relating to final pay and any other personal considerations will be arranged. Bonus plans and commissions are based on a full month worked. No partial or pro-rated bonus or commission will be paid unless approved in advance by management.

E. Pay at Time of Separation From Employment

The dealership will determine if the terminating employee has any outstanding debt owed to the dealership and whether the individual has in his or her possession any uniforms, tools, keys, safety equipment, manuals, vehicles, or other dealership property.

Upon completion of a full accounting of the employee's and the dealership's accounts (*as determined by the dealership*), a final pay check for time worked (*less deductions*) will be issued to the employee on the next regular pay day in accordance with applicable federal and state law. Any outstanding debt owed to the dealership by an employee must be paid in full before he or she will receive a final pay check.

The dealership will issue a check designated as the final payment for all services rendered. The final check will not reflect any time not actually worked.

Upon resignation or termination, the employee should contact the personnel department for possible conversion of group insurance and to address any financial issues.

Any employee terminating employment is expected to return any dealership property in his or her possession.

Section 5 - Work Policies And Regulations

A. Care of Equipment and Facilities

Employees should be concerned with the care and safe use of dealership-owned equipment and facilities. Employees are expected to follow all operating instructions, safety standards and guidelines. Good housekeeping is also expected of every employee.

If any equipment, machinery, tool, vehicle, etc. appear to be damaged, defective, or in need of repair, notify the supervisor. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others.

Employees are not authorized to use car wash for personal vehicles.

Unsafe, destructive, careless, negligent, or improper use or operation of equipment may result in disciplinary action up to and including termination of employment.

B. Parking/Parking Lot

Adequate and convenient parking is necessary for our customers. Therefore, it is important that all dealership employees park in the area designated as employee parking. Employees may park in any space that is not marked reserved. Please cooperate by not blocking any gate, door, or driveway. Do not park in the fire lanes, or handicapped. The dealership assumes no responsibility for an employee's vehicle or the contents of the vehicle while on dealership property. 10 mph speed limit applies to all dealership property.

C. Personal Appearance/Clothing

Every employee contributes to the dealership's overall public image during working hours. Appropriate attire enhances an employee's effectiveness in providing superior service. Each employee personally represents the dealership and is required to dress in a manner appropriate with prevailing business style.

Personal appearance, proper hygiene, and appropriate attire are important to our work practices. A neat, well-groomed appearance is important to the employee, his or her fellow workers, and to our customers. Employees are expected to report to work wearing clean clothing.

Our customers may gauge the quality of our dealership by the attention we show to personal appearance and attire. Each employee personally represents the dealership and is required to dress in an appropriate manner.

Dress standards will be established for specific areas/departments with consideration given to factors such as nature of work, safety, nature of the employee's public contact (*if any*), prevailing practices of other workers in similar jobs, and the preference of higher management.

When an employee's clothing does not comply with established standards, the matter will be discussed with the employee and he or she may be subject to disciplinary action.

The dealership does not object to employees having reasonably long hair (*as defined by management*) if it is groomed. Nor does it object to mustaches and/or beards if they are kept trimmed and do not hinder the employee's performance or safety on the job.

D. Uniforms

Service Technicians, Body Shop, and Parts Department personnel are provided with sets of uniforms which will be worn at work. Employees are responsible for the cleaning of their uniforms.

The cost of the uniforms is shared equally by the dealership and the employee; however, the employee is responsible for returning the uniforms to the dealership if they are separated from employment. If the uniforms are not returned, the cost will be deducted from the employee's final pay check.

Sales personnel, all management personnel and Service Advisors are required to wear proper business attire.

E. Smoking Policy/Chewing

The dealership is dedicated to providing a healthy, comfortable, productive work environment for our employees as well as a healthy, comfortable environment for our customers. This goal can only be achieved through ongoing efforts to protect non-smokers and to help employees adjust to restrictions on smoking. Therefore, smoking or use of any tobacco products is prohibited throughout dealership facilities. There is to be no smoking, chewing, or use of any tobacco product anywhere near a customer.

The success of this policy will depend upon the thoughtfulness, consideration and cooperation of smokers and non-smokers. All employees share in the responsibility of adhering to and enforcing this policy. Any conflict should be brought to the attention of the appropriate supervisory personnel.

F. Personal Belongings

The dealership recognizes an employee's desire to display mementos pertaining to his or her family or other personal items. While the dealership can take no responsibility for the safekeeping of these items, it welcomes its employees to personalize their work areas for added comfort or pleasantness. However, several guidelines must be observed. They are as follows:

- Safety Comes First — No object can interfere with job safety as viewed by dealership management.
- Nothing can be displayed that (in *the opinion of management*) is derogatory to any person or system of beliefs.
- Objects that (in *the opinion of management*) are inappropriate or hinder work efforts will not be allowed and must be removed upon request.

G. Personal Tools

Service technicians will furnish their own tools to perform job assignments. Any service technician who does not have sufficient tools to perform work assigned will be asked by their supervisor to correct any deficiency. Any employee who fails to do so will be subject to disciplinary action including termination of employment.

The dealership discourages employees from lending or borrowing tools.

Personal tools are the responsibility of each individual employee. The dealership will not be responsible for personal tools that are lost, stolen, or damaged. It is recommended that each employee maintain an active inventory of his or her personal tools. The supervisor should be provided with a copy of the inventory on a regular basis.

H. Using the Telephone

Each time an employee makes or receives a telephone call he or she represents the dealership. The manner in which a call is handled determines how the dealership is judged by our customers. We have a limited number of telephone lines at the dealership and it is essential that we keep those lines open for calls pertaining to dealership business.

Employees will be required to reimburse the dealership for any charges resulting from their personal use of dealership telephones. Employees should use their own phone during breaks, meal periods, or at other times with management approval when making personal calls.

I. Visitors in the Workplace

To provide for the safety and security of employees and the facilities at the dealership, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

J. Personal Mail at the Workplace

The mail system is reserved for business purposes only. Employees will not be allowed to send or receive personal mail at the workplace. Any mail received at the dealership address is considered dealership property and may be subject to inspection.

K. Alcohol

Consumption of, possession of, or being under the influence of alcoholic beverages on dealership property, in the office, or in any vehicle used for dealership business is strictly prohibited. Any employee who violates this policy will be subject to disciplinary action including immediate termination of employment. Any employee who reports for work or who is at work is subject to blood/alcohol testing to determine the presence of alcohol in the body.

L. Drugs

The dealership has in place a substance abuse policy which incorporates the provisions of the Drug-Free Workplace Act of 1988. All employees must abide by all of the terms and conditions of this policy while employed by the dealership. In this regard, employees are required to read the policy and sign a statement acknowledging their understanding of the policy and intent to follow the policy. Any employee who reports for work or who is at work is subject to chemical screening and/or blood/alcohol testing to determine the presence of unauthorized drugs in the body.

The Drug-Free Workplace Policy is fully described in Section 6.

M. Policy on Harassment

Consistent with our policy of equal employment opportunity, harassment in the workplace based on a person's race, sex, religion, national origin, age, or disability will not be tolerated concerning employees or applicants for employment.

One aspect of our policy requiring some clarification is the prohibition of any form of sexual harassment in the workplace. The following describes the type of conduct that is prohibited as well as the complaint provisions to investigate and remedy any problems that may arise.

Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal, visual or physical conduct of a sexual nature. No employee shall threaten or insinuate, either explicitly or implicitly, that another employee's or applicant's refusal to submit to sexual advances will adversely affect that person's employment, work status evaluation, wages, advancement, assigned duties, or any other condition of employment or career development. Similarly, no employee shall promise, imply or grant any preferential treatment in connection with another employee or applicant engaging in sexual conduct.

Sexual harassment also includes unwelcome sexual flirtations, advances or propositions, verbal abuse of a sexual nature, subtle pressure or requests for sexual activities, unnecessary touching of an individual, graphic or verbal commentaries about an individual's body, sexually degrading words used to describe an individual, a display of sexually suggestive objects or pictures in the workplace, sexually explicit or offensive jokes, or physical assault.

Any employee who feels that he or she is a victim of sexual harassment, including but not limited to, any of the conduct listed previously, by any supervisor, management official, other employee, customer, or any other person in connection with employment at the dealership should bring the matter to the immediate attention of the General Manager.

If that would prove to be uncomfortable, an employee may directly contact any other member of management. Every effort will be made to promptly investigate all allegations of harassment in as confidential a manner as possible and appropriate corrective action taken if warranted.

There will be no retaliation against anyone who submits a legitimate concern under this policy or assists in the investigation of any such complaint.

After an investigation, any employee determined to have engaged in sexual harassment in violation of this policy will be subject to appropriate disciplinary action up to and including termination of employment.

N. Internet and E-mail Policy

You are responsible for using the dealership-provided electronic services, including our e-mail system, in a manner consistent with the dealership's commitment to the highest business and ethical standards.

1. Dealership access privileges

The dealership provides people with e-mail and voice mail message systems and access to interactive online services (e.g., Internet, Intranet, E-mail, etc.) for the purpose of conducting dealership business. The dealership reserves the right to monitor, at any time, your e-mail, voice mail, Internet and Intranet usage.

Internet usage, Intranet usage, e-mail messages, voice mail messages and related data, that reasonably may be considered inappropriate, offensive or disruptive to any person should not be sent or retrieved (i.e., downloaded) via the dealership's e-mail, Internet, Intranet or voice mail systems. Offensive messages include, but are not limited to, comments or images that could be considered threatening or offensive to someone on the basis of his or her age, gender, sexual orientation, religious or political beliefs, national origin or disability. The use of Internet or e-mail messages must not disrupt the operation of the dealership network or the network users; it must not interfere with your productivity. In addition, no one, including system administrators, should use the dealership's electronic systems to satisfy idle curiosity about the affairs of others.

Any copy of internal communications and data obtained via internal message systems or Intranet (be it hard copy or electronic) sent to anyone outside the dealership without the express approval of executive management will be considered a breach of confidentiality, and will be grounds for discipline.

Any issues of abuse or performance problems resulting from use of the dealership's message systems or online access system will be addressed through our dealership disciplinary process.

2. Sending and receiving messages

All messages composed, sent or retrieved via the dealership's message systems, including messages unrelated to dealership business, are dealership property. The dealership has the right to retrieve and read any message composed, sent or received using dealership facilities. Also be aware that information sent by e-mail or voice mail cannot be considered confidential.

Dealership equipment or resources should not be used to violate any law or perform any unethical business act. Examples of such violations include, but are not limited to:

- Attempting to access any organization's computer systems without authorization, (a practice known as "hacking")
- Changing data without authorization
- Sending threatening, offensive or disruptive messages or images
- Representing yourself as someone else
- Violating copyright laws
- Sending chain letters or jokes through electronic mail

3. Maintaining security

You are responsible for adhering to established security procedures, including the security of your account password, and for not bypassing security controls. You should never divulge your logon or password to anyone, including your supervisor. You will be held responsible for all use or misuse of your account and for cooperating with any reasonable security investigation conducted by the dealership.

The use of unauthorized codes or passwords, or use of any other means to gain access to another's e-mail or voice mail communication is strictly prohibited. Sending a message using someone else's password or initials also is strictly prohibited.

Electronic messages or files on the Internet without encryptions are not secure. Therefore, you should not send confidential or sensitive information via the dealership's access lines without express authorization. You should also not send or post dealership-confidential or sensitive information to any unauthorized people, inside or outside the dealership.

You must have prior approval from Administration (which will be granted only on an exceptions basis) to download any executable files. For example, files with extensions such as .exe, .com, .bat, .zip. You must always virus check before downloading any data files, attachments or other information into our system or upon receipt of any attached files received with electronic mail from outside the dealership. You should not directly transfer interactive files to our system, such as when participating in an Internet Relay Chat.

4. Personal access

In using any online electronic services that you access via a personal online account, do not identify yourself as a dealership employee or discuss dealership customers or services. Use of dealership equipment to access a personal account is prohibited.

O. Use of Personal Computers

Dealership-owned personal computers are provided for business-related purposes only. It is unacceptable for anyone to use dealership equipment or resources to violate any law or perform any unethical business acts. Attempts to access any other organization's computer systems without authorization (a practice known as "hacking") are strictly prohibited.

1. Protecting data and equipment

You are responsible for protecting business-related information stored on personal computers at work, at home and on laptop computers. If any business-related data is located on your machine, it must be backed up on dealership servers at least daily. It is your responsibility to notify Personnel of any such data located on your personal computer. You must not search for, access or copy software, programs, files, directories, disks or data not belonging to you unless specifically authorized to do so. To protect the computer system and maintain inventory integrity, you should not physically move computers or any attachments.

2. Software

All software on Dealership PCs belongs to or is under contract to the dealership. You must not copy software for outside use. You also should not copy software (other than worksheets or documents you create) from one PC to another. Any software not purchased by the dealership should not be installed on dealership-owned PCs. Using unauthorized software is generally a license agreement violation that can expose the dealership to potential legal liability.

Any issues of abuse or performance problems resulting from violation of this E-mail and Internet Policy will be subject to disciplinary action up to and including termination.

Any copy of Intranet data (be it hard copy or electronic) sent to anyone outside the dealership without approval of executive management will be considered a breach of confidentiality.

P. Bulletin Boards

In order to maintain an effective avenue for communicating with our employees, the dealership maintains bulletin boards. Bulletin boards are located throughout our facilities in areas that employees frequently visit in order to ensure that employees have constant access to posted information. The dealership's bulletin boards are used to communicate official government information on EEO, wage and hour, health and safety, and other issues. They are also used to communicate information regarding dealership policy and dealership business and announcements, including, but not limited to, job postings, safety rules, health items, benefit programs, and notices announcing special events.

Employees may not post, tape, tack or affix in any way any form of literature, printed or written, materials, photographs, or notices of any kind on the dealership's bulletin boards, on the walls, in time clock areas, or anywhere else on dealership property. Violation of this policy shall be grounds for disciplinary action, up to and including discharge.

The dealership's bulletin boards may not be used by employees or outside parties for the posting of commercial notes and advertisements, announcements and witticisms, sales of personal property, or any other matters, work related or not. Employees and outside parties are also prohibited from distributing literature and soliciting other employees except as stated in the dealership's solicitation and distribution of literature policy. (Please see this policy, as set forth in this Handbook, for details.) All postings are performed by members of the Personnel Department, who are responsible for keeping the dealership's bulletin boards up-to-date and attractive.

Q. Solicitation and Distribution of Literature

In the interest of maintaining a proper business environment and preventing interference with work and inconvenience to others, employees may not distribute literature or printed materials of any kind, sell merchandise, solicit financial contributions, or solicit for any other cause during working time. Employees who are not on working time (e.g., those on lunch hour or breaks) may not solicit employees who are on working time for any cause or distribute literature of any kind to them. Furthermore, employees may not distribute literature or printed material of any kind in working areas at any time. Nonemployees are likewise prohibited from distributing material or soliciting employees on the dealership premises at any time.

Section 6 - Drug-Free Workplace Policy

A. Introduction

In response to federal requirements for drug-free workplaces, and in keeping with the dealership's concern for the health and safety of its workforce, the following Drug-Free Workplace Policy has been instituted.

This policy certifies the dealership's intent to maintain a drug-free workplace. The first section describes the prohibitions of this policy such as the manufacture, distribution, sale, possession or use of a controlled substance in the workplace.

In addition, this policy creates a Drug Awareness Program that provides information on the dangers of workplace drug use to all employees as well as information about available private and community treatment facilities. The last section of this policy lists the disciplinary actions that employees will face for any violation of the dealership's Drug-Free Workplace Policy. Finally, an employee acknowledgment must be signed and dated by each employee who receives a copy of this policy.

The Drug-Free Workplace Act specifically requires the dealership to notify each employee that, as a condition of employment, each employee must:

- Comply with the dealership's Drug-Free Workplace Policy; and
- Notify the dealership of any conviction for a drug-related offense committed in the workplace within one (1) day of the conviction.
- Any employee who violates this dealership policy will be subject to disciplinary action up to and including termination of employment.

B. Prohibitions

The dealership's Drug-Free Workplace Policy prohibits employees from engaging in any of the following activities:

1. Use, possession, manufacture, distribution, dispensation or sale of illegal drugs on dealership premises or dealership business, in dealership supplied vehicles, or during working hours
2. Unauthorized use or possession, or any manufacture, distribution, dispensation or sale of a controlled substance on dealership premises or while on dealership business or while in dealership-supplied vehicles
3. Storing in a locker, desk, automobile or other repository on dealership premises any controlled substance whose use is unauthorized
4. Being under the influence of a controlled substance on dealership premises or while on dealership business, or while in dealership-supplied vehicles

5. Any possession, use, manufacture, distribution, dispensation or sale of illegal drugs off dealership premises that adversely affects the individual's work performance, their own or the safety of others at work, or the dealership's regard or reputation in the community
6. Failure to adhere to the requirements of any drug treatment or counseling program in which the employee is enrolled
7. Failure to notify the dealership of any conviction under criminal drug statutes for a workplace offense within one (1) day of the conviction
8. Refusal to sign a statement to abide by the dealership's Drug-Free Workplace Policy

C. Authorized Use of Prescribed Medicine

An employee undergoing prescribed medical treatment with any drug which may alter their physical or mental ability must report this treatment to his or her supervisor who will determine whether a temporary change in the employee's job assignment is warranted during the period of treatment.

D. Drug Awareness Program

To assist employees and their families to understand and avoid the perils of drug abuse, the dealership has developed a comprehensive Drug Awareness Program. The dealership uses this program in an educational effort to prevent and eliminate drug abuse that may affect the workplace.

The Drug Awareness Program will inform employees about:

- dangers of drug abuse in the workplace
- the dealership's Drug-Free Workplace Policy
- availability of treatment and counseling for employees who voluntarily seek such assistance
- disciplinary actions for violations of the dealership's Drug-Free Workplace Policy

Employees of the dealership are our most valuable resource and, for that reason, their health and safety is our number one concern. Any drug use which imperils the health and well being of our employees or threatens our business will not be tolerated. The use of illegal drugs and abuse of other controlled substances on or off duty is inconsistent with the law abiding behavior expected of citizens. Employees who use illegal drugs or abuse other controlled substances on or off duty tend to be less productive, less reliable, and prone to greater absenteeism. This, in turn, can result in increased costs, delays and risks to the dealership's business.

Drug use in the workplace puts the health and safety of the abuser and all other workers around them at increased risk. Employees have the right to work in a drug-free environment. In addition, drug abuse inflicts a terrible toll on the nation's productive resources and the health and well-being of American workers.

Early recognition and treatment of drug abuse is important for successful rehabilitation. Whenever feasible, the dealership will assist employees in overcoming drug abuse by providing information on treatment opportunities and programs. However, the decision to seek diagnosis and accept treatment for drug abuse is primarily the individual employee's responsibility.

Employees with drug abuse problems should request assistance from management. The dealership will treat all such requests confidentially and will refer the employee to the appropriate treatment and counseling services. Employees who voluntarily request the dealership's assistance in dealing with a drug abuse problem may do so without jeopardizing their continued employment, provided they strictly adhere to the terms of their treatment and counseling program. At a minimum, these terms include the immediate cessation of any use of drugs, and participation, where required by a program, in periodic unannounced testing for a twenty-four (24) month period following enrollment in the program.

Voluntary requests for assistance from employees will not, however, prevent disciplinary action for violation of the dealership's Drug-Free Workplace Policy.

The dealership has instituted a zero tolerance level program. The dealership is committed to maintaining a safe workplace free from the influence of drugs. All employees are hereby notified that the dealership will comply with the requirements of the Drug-Free Workplace Act of 1988, and all applicable regulations issued thereunder, as well as, when applicable, any more stringent rules created by other federal agencies.

The dealership's Drug Awareness Program does not create an employment contract between the employer and employee. Furthermore, the dealership has the sole right to modify the policy and program at any time.

E. Disciplinary Actions

1. A violation of the dealership's Drug Free Workplace Policy is subject to disciplinary action, up to and including termination of employment, at the dealership's sole discretion.
2. In addition to any disciplinary action, the dealership may, in its sole discretion, refer the employee to a treatment and counseling program for drug abuse. Employees referred to such a program by the dealership must immediately cease any drug use, may be subject to periodic unannounced testing for a period of twenty-four (24) months, and must comply with all other conditions of the treatment and counseling program. The dealership shall determine whether an employee it has referred for drug treatment and counseling should be temporarily reassigned to another position for safety reasons.
3. The dealership will promptly terminate any employee who tests positive for drugs while undergoing treatment and counseling for drug abuse.

F. Notice to All Personnel of Disciplinary Policy

This is a formal notice of the dealership's intent to take disciplinary action, up to and including termination of employment, against any employee who violates the dealership's Drug-Free Workplace Policy.

The dealership's Drug-Free Workplace Policy prohibits the use, sale, distribution, manufacture or possession of all controlled substances as listed in Schedules I through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812).

Dealership policy also prohibits the performance of work or presence at any dealership building, facility, equipment or work area/site while under the influence of a controlled substance.

Section 7 - Conflicts Of Interest

Employees shall avoid outside employment, activities, investments, and other interests that involve obligations which may compete with or be in conflict with the interests of the dealership. A conflict of interest can arise in dealings with anyone that the dealership transacts business; i.e., *customers, owners, buyers, suppliers, banks, insurance companies, and people in other organizations* with whom we contact and make agreements.

Conflicts of interest should be avoided and may include the following examples:

- Working for any group mentioned above for personal gain.
- Engaging in a part-time activity for profit or gain in any field in which the dealership is engaged.
- Borrowing from, or lending money to, individuals representing organizations with whom business dealings are conducted.

A. Personal Conduct

The dealership expects that all of its employees will conduct themselves with the pride and respect associated with their positions, fellow employees, customers and the dealership. Employees should always use good judgment and discretion in carrying out the dealership's business. The highest standards of ethical conduct should always be used by employees of the dealership

Improper conduct by and between employees and/or by and between employees and business associates on dealership premises or adversely affecting dealership work will not be tolerated. Any employee demonstrating improper conduct will be subject to disciplinary action including termination of employment.

B. Confidentiality

The dealership is engaged in a business which requires that a strict code of confidentiality of information be maintained. No employee will store information outside of the dealership (*either in written or electronic form*) about any matter pertaining to the conduct of the dealership's business. No information regarding the purchase prices of the dealership shall be given to any customer, competitor, or vendor. No information regarding selling prices to one customer or vendor shall be given to another customer or vendor.

Do not discuss selling prices of products with vendors. This is delegated to senior management personnel. Likewise, conversations regarding prices, service, problems, gossip, etc. about one vendor to another is only for the discretion of senior management personnel. Lack of discretion in these matters is looked upon as a very serious matter. Any employee failing to abide by this policy will be subject to disciplinary action including immediate termination of employment.

In addition, any employee engaged in or responsible for idle gossip or dissemination of confidential information within the dealership, such as personal information, financial information, etc. will be subject to disciplinary action or possible termination of employment.

C. Bribes, Kick-Backs and Other Illegal Payments

Bribes, kick-backs and other illegal payments to or from any individual with whom we conduct business (in any form and for any purpose) are prohibited.

Certain types of rebates to the dealership from suppliers (*but not to or from an individual employee*) are legitimate to correct commercial inequity if done within government trade regulations.

D. Accepting Gifts

Normally a gift to an individual from an outside source is considered the property of the dealership unless management makes an exception. It is the policy of the dealership that no employee shall receive any gift, excessive or unusual entertainment, loan, or other favor from any outside source (including customers and suppliers) without approval from management. Any employee who fails to abide by this policy will be subject to disciplinary action including immediate termination of employment.

Section 8 - Guidelines For Appropriate Conduct

It is the policy of the dealership to expect all employees to abide by certain work rules of general conduct and performance at all times. The regulations governing employee conduct and responsibilities have been established in the best interest of the dealership, its employees, and its customers.

Accordingly, a violation of these regulations constitutes misconduct on the part of the employee and appropriate disciplinary action will be initiated. **These rules are guidelines only and are not all inclusive.** Disciplinary action may include, but is not limited to, verbal reprimand, written notice, suspension from work without pay, and immediate termination of employment. Management reserves the right to terminate or discipline any employee that the dealership, at its discretion, considers necessary in individual circumstances.

In the event an employee is suspended from work for disciplinary reasons, benefits will not accrue nor will benefits be recoverable during the suspension period.

A. Examples of Misconduct

The following are only examples of misconduct for which an employee may be subject to discipline and these examples do not constitute a complete list of the circumstances for which discipline will be warranted.

- Deliberately lying to customers or supervisors.
- Falsification of any records or reports pertaining to absence from work, claims pertaining to injuries occurring on dealership premises, claims for any benefits provided by the dealership, communications or records including personal production records.
- Giving false fire alarms, or causing false fire alarms to be given, or tampering with protection equipment.
- Restricting output, or persuading others to do so, or promoting, encouraging, agitating, engaging in or supporting suspension of work, slowdowns, or any other interruptions of production.
- Sabotage or subversive activity of any kind.
- Misuse or removal from the premises, without authorization, of any dealership property, or possession of any property removed from dealership premises without proper authorization.
- Bringing, using or having in possession weapons on dealership premises at any time.
- Bringing, using, having in possession, transporting, selling or promoting the use of alcohol, any intoxicant, any narcotic, any barbiturate, any amphetamine, any hallucinogen, or any other stimulating or depressing drug on dealership premises at any time.

- Reporting for work under the influence of or when suffering from a hangover from alcohol, any intoxicant, any narcotic, any barbiturate, any amphetamine, any hallucinogen, or any other stimulating or depressing drug.
- Striking or manhandling another person or fighting while on dealership premises at any time.
- Striking a member of management at any time in connection with any matter relating to employment.
- Theft of any property on dealership premises, or theft of dealership property at any time.
- Willful abuse, or deliberate destruction of dealership property, tools or equipment, or of any property on dealership premises at any time.
- Gross insubordination: a willful and deliberate refusal to follow reasonable orders given by a member of management.
- Violation of the dealership's Equal Employment Opportunity Policy or any policy on harassment.
- Committing an immoral or indecent act while on dealership property regardless of whether the act was committed during the employee's work day.
- Altering any employee time record regardless of whether it is the employee's own time record or that of another employee.
- Intentionally entering the time record of another employee or having another employee enter his or her time record.
- Punching in more than five (5) minutes prior to the start of the employee's work day or punching out more than five (5) minutes following the conclusion of his or her work day without authorized permission.
- Conviction of any offense by a court of law which in management's judgment would make that employee undesirable for association with the dealership and its other employees.
- Threatening, intimidating, coercing or interfering with any person on dealership premises at any time.
- Sleeping on dealership time.
- Altering, defacing or removing governmental or dealership notices and bulletins that are posted on the dealership bulletin board.
- Gaining unauthorized access to dealership records and files whether they are locked or otherwise.

- Handling or operating machines, tools or equipment which do not come within the employee's authority. Careless or negligent use or operation of dealership tools or equipment.
- Failure to immediately report to management any injury or accident resulting from an on-the-job situation.
- Performing substandard work both in quality and quantity after having been instructed in proper procedure and technique.
- Unauthorized leave from the work area during work schedule exceeding the time allowed for scheduled break or lunch period.
- Unauthorized manufacture of products for personal use (including sale or gifts).
- Unauthorized distribution of literature in the work area or posting on, dealership property.
- Distraction of other employees, or causing confusion by unnecessary shouting, catcalls, whistling or demonstration while on dealership property.
- Engaging in horse play, practical jokes, gambling, selling merchandise, solicitation or general loitering while on dealership property.
- Having non-employees on dealership property at any time without authorized permission.
- Using profane language on dealership property which in management's opinion is offensive to visitors and to other employees.

As an integral member of the dealership team, you are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that both in your business and in your personal life you refrain from any behavior that might be harmful to you, your co-workers, and/or the dealership, or that might be viewed unfavorably by current or potential customers or by the public at large.

Whether you are on duty or off, your conduct reflects on the dealership. You are, consequently, encouraged to observe the highest standards of professionalism at all times.

The rules shown above, others which may be established from time to time, departmental rules and the procedure for disciplinary action are published to promote a general understanding of what is considered unacceptable behavior and to encourage constructive and consistent application of discipline throughout the dealership. It is the dealership's intent that discipline be administered in an atmosphere of correction rather than punishment. Each incident will be evaluated on an individual basis and appropriate discipline determined. That discipline may be of a lesser or greater severity than shown in the examples below, depending on the circumstances of the evaluation.

B. Disciplinary Action

There are four levels of disciplinary action:

- A. Verbal Warning = VW
 - B. Written Warning = WW
 - C. Suspension = S
 - D. Discharge = D
1. All disciplinary action must be documented by the supervisory personnel involved and the employee advised of any action to be taken. Next, management and the Vice President and Director of Personnel sign the Disciplinary Action Form. Once signatures are completed, a copy is placed in the employee's file and additional copies are sent to both the employee and their supervisor.
 2. The following examples of unacceptable behavior and recommended discipline are not intended to cover every possible situation. The dealership reserves the right to determine what behaviors other than those shown above are unacceptable and are therefore subject to appropriate disciplinary action.
 3. An employee subject to any level of disciplinary action has the right of appeal through the Fair Treatment in Employee Problem Solving. Decisions rendered through the final stage of the Fair Treatment in Employee Problem Solving are considered conclusive and binding on all parties involved.
 4. At the time of disciplinary action, the employee will be advised in writing, of any time restrictions that may apply to the individual circumstance; e.g. when the circumstance will be re-examined, when behavior modification should be completed, etc.

Section 9 - Safety

The dealership is committed to the safety of its employees and its property and equipment. To this end, we will utilize a safety program in our daily activities. It is necessary that the dealership establish safety rules and regulations to be observed by all employees at all times.

Any employee who disregards any dealership safety rule and/or regulation is subject to disciplinary action including termination of employment.

With regard to these rules, the following will be considered standard procedure for all employees:

- Should a safety regulation be modified so that an employee's safety is something less than it should be, the employee should inform their supervisor
- All questions concerning the reason for doing something in a certain manner may be asked of any member of management at any time
- Employees' decisions should always be guided by the dealership's commitment to safety
- Should a hazardous situation or condition exist and a decision has to be made on safety or production, safety concerns should always take precedence over production

It is management's responsibility to see that every employee at the dealership is provided with safe working conditions, all safety regulations are observed and employees use good common sense to protect themselves as well as others. Management will periodically inspect working conditions and may suspend all work activity until an unsafe condition is corrected.

The most important part of safety is **YOU**. It is **your responsibility** to abide by the safety rules. These rules are made for **your protection**. Report any personal injury **IMMEDIATELY**, however minor. Report all dangerous conditions and unsafe practices to a supervisor.

A. Safety Rules

The following is not a complete list of safety rules and those rules are not intended as a substitute for common sense and good judgment.

- Appropriate shoes will be worn when working in the Service Area. We urge employees not to wear tennis shoes.
- Gasoline must be stored in metal safety cans.
- Know where the fire extinguishers are located and know how to use them.
- Extension cords used with portable electric tools and appliances must be of the three-wire type. Defective cords must be replaced when they become frayed or defective.
- Defective materials or tools must be labeled with accident prevention tags. Labeling must be done on the same day on which the defective piece of equipment is discovered.

- Read all Material Safety Data Sheets (MSDS) supplied with hazardous materials and abide by the instructions. Direct any questions to the supervisor.
- If an employee suspects that a material might be harmful to his or her health, he or she should consult with the supervisor.
- Safety goggles or glasses and hearing protection will be provided when necessary by the dealership. Protective devices must be used when grinding, using a cutting torch, welding, sanding, using chisels, handling hazardous materials and operating loud power tools and machinery.
- Wear clothes suited for the job. This means shirts and long pants.
- Remove all jewelry before reporting for work.
- Practice good housekeeping. Keep work area clean and free from stumbling and slipping hazards, ie: grease, etc.
- Learn to lift the correct way. Bend knees. Keep back erect. Get help for heavy loads.
- No scuffling or horse play on the job.
- Keep guards and protective devices in place at all times. When guards are removed for repairs, replace in proper order before starting up equipment.
- Use tools only for their intended purposes. Do not use broken or dangerously dull tools.
- Do not attempt to operate special machinery or equipment without permission and instructions.
- Do not repair or adjust machinery while it is in operation. Never oil moving parts except on equipment fitted with safeguards for this purpose.
- Never work under vehicles that are supported by jacks or chair hoists without protective blocking in case of hoist or jack failure.
- Do not disconnect air hoses and compressors until hose line have been bled.
- Employees must be sure that their actions do not endanger other employees, or damage dealership or personal property.

B. Hazardous Materials and Wastes

The Environmental Protection Agency has grouped certain chemicals and chemical groups into categories which have been defined as toxic. This means that in concentrated forms or by accumulating and combining with other chemicals (*even the air*) these chemicals can be hazardous to human health if exposure occurs.

From time to time in the normal course of their jobs, employees may handle materials which have been classified as hazardous by the standards of the Occupational Safety and Health Act (OSHA) regulations.

Hazardous materials that are received from our suppliers should be accompanied by Material Safety Data Sheets (MSDS) or labels which state the chemical ingredients of the contents, precautions to take, and what to do if exposure occurs.

The dealership maintains a current file of all Material Safety Data Sheets for all material used. This file is located in the Parts Department and on the Body Shop computer and is available for review by employees at any time.

Employees will be instructed on how to control hazardous wastes and what to do if they are exposed to hazardous wastes.

If any employee suspects that the materials or wastes he or she may encounter as an employee are hazardous (*whether or not they are being created or used by the dealership*), he or she should inform the supervisor immediately.

As a dealership, we are committed to not creating or disposing of hazardous wastes which will contaminate the environment. Whenever possible we will choose materials which have been judged as non-hazardous and we will properly dispose of hazardous materials if they are used. Also, we will not knowingly dump any wastes into the environment at any time.

Any employee who knowingly dumps or condones dumping of any materials or wastes without strict compliance with dealership policy or applicable laws or regulations is subject to severe discipline including termination of employment.

C. Reporting Injuries and Accidents

When any accident, injury, or illness occurs while an employee is at work, it must be reported to the Personnel Department immediately regardless of the nature or severity.

The dealership will provide the proper forms for reporting job-related accidents, injuries and illnesses. Any employee failing to report such occurrences is subject to disciplinary action.

In the event of a vehicular accident involving a dealership owned/leased vehicle or while on dealership business, the employee must report all information immediately to the supervisor and/or the office. In no instance should responsibility for an accident be expressed to anyone until the proper person in the dealership has been notified and permission to make statements has been obtained.

The employee should attempt to determine if there were any witnesses to the accident and if so, obtain name(s), address(es), and telephone number(s).

D. Workplace Violence

The dealership is concerned and committed to our employees' safety and health. Therefore, we refuse to tolerate any violence or threats of violence in the workplace and will make every effort to prevent violent incidents from occurring.

All managers and supervisors are responsible for implementing and maintaining our zero tolerance policy against this type of inappropriate behavior in the workplace. However, employee participation is critical to the success of this policy. We ask that all employees promptly and accurately report all violent incidents or threats of violent incidents whether or not physical injury occurs. Employees are also encouraged to report any type of harassment or intimidation of any kind. These reports should be made to the Personnel Director, or, in his/her absence, General Manager. All reports will be promptly investigated in a reasonable manner. Every effort will be made where possible to keep such reports confidential. We will not discriminate against victims of workplace violence.

In light of our commitment to employee safety, the dealership prohibits any and all weapons from being brought into our workplace. Possession of such items will subject an employee to immediate disciplinary action, up to and including termination. Further, any employees who are found to have harassed, threatened or intimidated other employees will also be subject to appropriate levels of discipline, up to and including termination.

This policy ensures that all employees, including managers and supervisors, will adhere to work practices that are designed to make the workplace more secure and will not engage in verbal threats or physical actions which create a security hazard for others in the workplace. All employees are responsible for using safe work practices, for following all directives, policies and procedures, and for assisting in maintaining a safe and secure work environment. Management is responsible for ensuring that all safety and health policies and procedures involving workplace security are clearly communicated and understood by all employees. Managers and supervisors are expected to enforce the rules fairly and uniformly.

E. Workplace Searches

In order to safeguard the security and property of our employees, our customers, and the dealership, and to help prevent workplace violence and/or the possession, use, and sale of illegal drugs on dealership premises, the dealership reserves the right to question employees and all other persons entering and leaving our premises, and to conduct searches for controlled substances, alcohol, firearms, weapons and company property. These searches could include, but are not limited to, any packages, parcels, purses, handbags, briefcases, lunchboxes, toolboxes, company vehicles or personal vehicles brought on company property, or any other possessions or articles carried to and from the company's property. In addition, the dealership reserves the right to search any employee's office, desk, files, locker, or any other area or article on our premises. In this connection, it should be noted that all offices, desks, files, lockers, company vehicles, etc., are the property of the dealership, and are issued for the use of employees only during their employment. Inspections may be conducted at any time at the discretion of the dealership, therefore, employees should not bring any item onto the dealership property they do not want company officials to inspect.

In conjunction with implementing this policy, the dealership has posted notices in conspicuous places throughout our facilities informing all employees, prospective employees, customers, visitors, and all other persons of the company's policy and right to question individuals and conduct inspections.

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

F. Safety and Health

The dealership is committed to providing a safe and healthful working environment. In this connection, the dealership makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, technologies, and programs conducive to such an environment.

The dealership's policy is aimed at minimizing the exposure of our employees, customers, and other visitors to our facilities to health or safety risks. To accomplish this objective, all the dealership employees are expected to work diligently to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.

The responsibilities of all employees of the dealership in this regard include:

1. Exercising maximum care and good judgment at all times to prevent accidents and injuries
2. Reporting to supervisors and seeking first aid for all injuries, regardless of how minor
3. Reporting unsafe conditions, equipment, or practices to supervisory personnel
4. Using safety equipment provided by the dealership at all times
5. Observing conscientiously all safety rules and regulations at all times
6. Notifying their supervisors, before the beginning of the workday, of any medication they are taking, that may cause drowsiness or other side effects that could lead to injury to them and their co-workers

Section 10 - Vehicles

A. Dealership-Owned/Leased Vehicles

All travel in dealership vehicles on other than dealership business must be authorized in advance by the General Manager. This includes vehicles that may be leased by the dealership as well as those vehicles that are owned by the dealership.

The following are specific policies related to dealership owned/leased vehicles:

- Daily records must be kept for all mileage driven.
- Dealership owned/leased vehicles will be driven only as needed during working hours.
- Dealership owned/leased vehicles will be driven only for transportation to and from destinations as specified.
- Dealership owned/leased vehicles will not be driven for private use unless specific arrangements have been made in advance.
- Alcoholic beverages or illegal drugs or chemicals will not be allowed in a dealership vehicle at any time.
- No driver who has been drinking alcoholic beverages or is under the influence of drugs or chemicals will be allowed to drive a dealership owned/leased vehicle.
- No one, other than an authorized dealership employee, is permitted to operate or ride in a dealership owned/leased vehicle.
- Vehicles must be kept clean (interior and exterior) at all times and thoroughly washed on a regular basis.
- Vehicles must be properly maintained according to the manufacturer's schedule.
- Any employee who misuses a dealership owned/leased vehicle will be subject to dismissal.
- Any damage to a dealership owned/leased vehicle caused by employee carelessness, neglect, or misjudgment is the responsibility of the employee. This includes insurance deductibles.

B. Demonstrator Vehicles

Demonstrator vehicles are provided to selected members of management and designated sales personnel. The following provisions apply with regard to demonstrator vehicles

Demonstrator vehicles must always be in showroom condition.

A demonstrator vehicle must have a minimum of one-half (1/2) of a tank of gas at all times.

Smoking, eating or drinking is not allowed in demonstrator vehicles.

In the event of damage, the employee assigned to the vehicle will be responsible for expenses up to the insurance deductible.

Section 11 - Complaint Resolution Policy

Misunderstandings or conflicts can arise in any organization. To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, should a situation persist that you believe is detrimental to you or the dealership, you should follow the procedure described here for bringing your complaint to management's attention.

A. Step One

Discussion of the problem with your immediate supervisor is encouraged as a first step. If, however, you don't believe a discussion with your supervisor is appropriate, you may proceed directly to Step Two.

B. Step Two

If your problem is not resolved after discussion with your supervisor or if you feel discussion with your supervisor is inappropriate, you are encouraged to request a meeting with your department head. In an effort to resolve the problem, the department head will consider the facts, conduct an investigation, and may also review the matter with a member of our Personnel Department. You will normally receive a response regarding your problem within five (5) working days of meeting with your department head.

C. Step Three

If you are not satisfied with your department head's decision and wish to pursue the problem or complaint further, you may prepare a written summary of your concerns and request that the matter be reviewed by the dealership problem-solving committee. This committee is composed of the head of the Personnel Department, the head of your division, and a third member of senior management from outside your division to be selected by the other two committee members.

The committee, after a full examination of the facts (which may include a review of the written summary of your statement, discussions with all individuals concerned, and a further investigation if necessary), will normally advise you of its decision within fifteen (15) working days. The decision of the committee shall be final.

The dealership does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting, or delaying the dealership from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, attitude, or demeanor) where the dealership deems disciplinary action appropriate.

**Blue Springs Ford
Lee's Summit Honda
Lee's Summit Subaru**

Acknowledgment of Receipt and Understanding of Information Handbook

Read and Sign Immediately

Return to the Personnel Department Within Three (3) Days

I acknowledge, understand, and/or agree that:

- The statements contained in the Information Handbook for Employees are intended to serve as general information concerning the dealership and its existing policies, procedures, practices of employment and employee benefits.
- Nothing contained in the Information Handbook for Employees is intended to create (nor shall be construed as creating) a contract of employment (express or implied) or guarantee employment for a definite or indefinite term.
- From time to time the dealership may need to clarify, amend and/or supplement the information contained in the Information Handbook for Employees of the dealership and that the dealership will inform me when changes occur.
- I have received a copy of the Information Handbook for Employees, have read and understand the information outlined in the handbook, have asked any questions I may have concerning its contents and will comply with all policies and procedures to the best of my ability.
- The Information Handbook for Employees is the property of the dealership and must be returned upon request or at time of separation from employment.

Employee's Name (Print) _____

Location/Department _____

Employee's Signature _____

Date Signed _____

Authorized Witness _____

**Blue Springs Ford
Lee's Summit Honda
Lee's Summit Subaru**

Acknowledgment of Receipt and Understanding of the Drug-Free Workplace Policy

**Read and Sign Immediately
Return to the Personnel Department Within Three (3) Days**

I acknowledge, understand, and/or agree that:

- I have received a copy of the dealership's Drug-Free Workplace Policy (*Section 6 of the Information Handbook for Employees of the dealership*).
- I have carefully and thoroughly read the dealership's Drug-Free Workplace Policy (*Section 6 of the Information Handbook for Employees of The dealership*).
- I understand the requirements of the dealership's Drug-Free Workplace Policy (*Section 6 of the Information Handbook for Employees of The dealership*) and agree, without reservation, to follow this policy.

Employee's Name (Print) _____

Location/Department _____

Employee's Signature _____

Date Signed _____

Authorized Witness _____

Employee Acknowledgment

Dealership Operational Policies

1. All of our employees must be honest and completely above reproach in everything they do with all of our customers, vendors and business partners.
2. As an operational policy, our collision center will not, under any circumstances, repair salvage, flood, branded title, or severely damaged vehicles that have been declared total losses for resale to our retail customers.
3. As an operational policy, we will not knowingly purchase salvage, flood, branded title, or severely damaged vehicles that have been previously declared a total loss at any auction. Should a retail customer trade in such a vehicle as part of their sales transaction, our policy shall be that it will be wholesaled without being made available for retail resale at our dealership.
4. We will run a Carfax or similar vehicle history report on every vehicle we take in on trade prior to completion of the transaction or upon purchase from an auction prior to resale.
5. All known damages shall be noted on the vehicle appraisal and damage disclosure form at the time the vehicle is accepted in trade. Each customer will sign both documents prior to the completion of the sales transaction.
6. All known damages from previous customer trade-ins and auction vehicles shall be clearly disclosed to the purchasing customer on the sales buyers order at the time of sale.
7. Any dealership employee noting the possibility of prior damage on vehicles intended for resale that has not been previously identified shall report their observations to the sales desk immediately.
8. Vehicles intended for resale to retail customers shall not be purchased from independent wholesalers when the history of the vehicle cannot be determined.
9. No employee shall sell or attempt to sell a vehicle previously designed as "wholesale" on the used vehicle bid slip to a retail customer without the express advance authorization of the owners or the General Manager, and then only after said vehicle passes our internal used vehicle inspection and had completed a Missouri State Inspection (MVI).
10. Every vehicle intended for resale to a retail customer shall undergo a mechanical used vehicle inspection, and a Missouri State Inspection (MVI). Any observed prior vehicle damage shall be reported along with the relevant inspection forms to the sales desk immediately.

11. Every employee shall follow faithfully the Privacy Act requirements and obtain authorization signatures from customers prior to running credit reports or accepting other information defined as "private" under the Gramm-Leach-Bliley Act [the employee acknowledges that the customer has received a copy of this law for their review]. Phone applicants will be read the required disclosure, and after the customer concurs a copy of the disclosure form will be mailed to the customer the same day, with the original remaining as part of the deal jacket for future review,
12. All employees will comply with all aspects of the Truth in Lending/Fair Credit Reporting Acts [the employee acknowledges that he/she has received a copy of this law for their review].
13. Documents requested from customers that are required by lenders to obtain credit (stipulations) shall be original in form, and retained in the deal jacket.
14. Any expenses relating to undisclosed damage, or repairs required for undisclosed damage, shall be charged back to the dealer and employees involved to the full extent of the commission or bonus.

Employee Signature _____