

EMPLOYEE HANDBOOK

Effective August 18, 2021

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Welcome!

Welcome to **BECK AUTOMOTIVE GROUP!** We are pleased that you are joining us and we know that your contributions will assist us in remaining a leader in this community and in our industry.

As one of our employees, you will want to know what you can expect from us and what we expect from you. This Handbook will give you that information by outlining our Company's current benefits, practices and policies.

You should keep this Handbook handy as a guide and ready reference throughout your employment here. If you have questions as you read through this Handbook, please do not hesitate to discuss them with your manager or Human Resources. Your manager is a very important source of information and will be happy to assist you.

Sincerely,

Wayne McClain Vice President – Beck Automotive Group

CORPORATE VISION AND MISSION STATEMENT

Beck Automotive Group's vision is to provide our customers with the highest level of customer service and best overall experience for all of their automotive needs and our mission is to become our customers' dealership for life. This mission is achievable by adhering to the value of respect.

*We respect our customers and their right to have an environment that promotes honesty and one that is free of high pressure sales.

*We respect our team members and their right to work for a company that understands how much value they add to the company and to have a work environment that promotes balance in their lives and support for personal growth.

*Beck Automotive Group understands the importance of having respect for our community. We strive to identify and reach out to the community and lend support where needed.

PURPOSE OF THIS HANDBOOK

This Handbook is designed to acquaint you with our Company and to give you a ready reference to answer most of your questions regarding your employment with us. We intend for this Handbook to let you know what you can expect from us as well as what we expect from you. The contents of this Handbook constitute only a summary of the employee benefits, and personnel policies, in effect at the time of distribution. These benefits and policies may change from time to time as business conditions and other factors dictate. In the case of insurance and benefits, the current insurance or benefit plan documents will control.

This Handbook supersedes all previous handbooks, policies and practices that are in any way inconsistent with the contents of this Handbook. We may add, change or delete benefits and policies as the Company deems appropriate.

This Handbook should not be construed as creating any kind of employment contract for any particular period. Nothing in this Handbook should be construed as a promise of specific treatment in any specific situation upon which any employee should rely. Additionally, many matters covered by this Handbook are also described in separate official documents, and such official documents are always controlling over any statement made in this Handbook or by any supervisor or manager. All of our employees are considered to be employed on an "at will" basis. This means that you may terminate your employment at any time, with or without cause, and the Company has the same right. Your status as an "at will" employee may not be changed except by a written agreement signed by the President of the Company specifically acknowledging the change in your status.

WHAT YOU CAN EXPECT FROM US

INTRODUCTORY PERIOD

The first ninety (90) days of employment is an introductory period for both you and the Company. During this time, you will have the opportunity to learn about the Company, your job and your new surroundings and to decide if this is the place for you.

At the same time, we will be reviewing your job performance, attendance, attitude, relationship and overall interest in your job,

We may choose to extend your introductory period as necessary in the Company's discretion to give you a fair opportunity to demonstrate your ability to do the job. The introductory period is not a guarantee of employment for any period of time.

EMPLOYEE STATUS

<u>Full-time employees</u> are employees who are normally scheduled to work thirty or more hours a week. Full-time employees are eligible for all of the benefits set forth in the Handbook.

<u>Part-time employees</u> are employees who are normally scheduled to work fewer than thirty hours a week. Part-time employees are not eligible for Company benefits unless stated otherwise. Part-time employees do not become eligible for benefits simply by working more than thirty hours in a week. This would require a formal change of status by the Company.

<u>Temporary employees</u> are employees who are hired directly by the Company for a short period of time or are provided through a temporary service. Temporary employees are not eligible for Company benefits.

LET'S COMMUNICATE

OUR TEAM MEMBER RELATIONS PHILOSOPHY

As a Company, we are dedicated to continuing what we believe to be an excellent employee relations program. We will do our best to maintain good working conditions, offer competitive wages and benefits, open communications, and employee involvement. Please tell us if you have a problem with your job. We think you'll find this Company to be receptive to your concerns. We are always looking for ways to make this a better place to work.

IF YOU HAVE A PROBLEM

If there is something about your job that is bothering you, let's get it out in the open and discuss it. We cannot help you unless you tell us what it is we can do.

Our "Open Door Policy" offers all employees the freedom to discuss their job concerns with their managers. If you have a problem or concern it can be addressed by following these steps:

- 1. Any concern should first be discussed with your immediate supervisor, if you feel comfortable doing so.
- 2. If your supervisor does not address your issue or if you are not satisfied after Step 1, you may talk to another more senior member of management, including the Controller, General Manager, or Human Resources.

When you inform us of your concern or problem, we will try to address the issue as soon as possible. Again, we cannot help you unless you communicate with us. We are always looking to make our Company a better place to work.

ARBITRATION

Arbitrations are conducted in accordance with the Federal Arbitration Act and the Company's Arbitration Agreement, which provide that you may help to select the arbitrator who will hear your case from a list of qualified arbitrators. The arbitration proceedings are similar to court proceedings, with the arbitrator acting as the judge. If the arbitrator finds that your claim is valid, the arbitrator has the authority to award you everything a judge or a jury might award you. The arbitrator also has the authority to require the parties to comply with his/her award. An award by an arbitrator is usually issued within months, where a court decision often takes years.

HARASSMENT AND EQUAL OPPORTUNITY

Beck Automotive Group is an equal opportunity employer and does not discriminate against employees or candidates based on any category or characteristics protected by law. Our success depends upon the contribution of everyone in our organization. The Company takes pride in the diversity of our workforce. We are committed to creating and maximizing opportunities for everyone.

The Company has a strong commitment to maintain a workplace free of discrimination and harassment, a workplace where every individual is treated justly and with dignity. Employees have a right to work in a comfortable environment, free from derogatory remarks, unwelcome sexual advances, and any other verbal or physical conduct constituting harassment on the basis of race, color, religion, gender, age, national origin, sexual orientation, marital status, disability, veterans status, genetic information, or any other category or characteristics covered under federal, state, or local law.

By leveraging the talents and capabilities of each of our employees and working together to break down any barriers that stand in the way, we can continue to grow our business. We value diversity, and we respect each individual. Our corporate culture has zero tolerance for discrimination or harassment.

EQUAL EMPLOYMENT OPPORTUNITY POLICY

The Company is dedicated to providing equal opportunity in all of our employment practices for all employees and qualified applicants without regard to race, color, religion, gender, age, disability, national origin, veteran's status, sexual orientation, marital status, or any other status protected by law. This policy applies to all Company employment practices including recruitment, hiring, firing, compensation, assignment, training and promotion. Violations of this policy constitute a serious offense and violators will be disciplined up to and including termination.

NO HARASSMENT POLICY

The Company does not tolerate harassment of any of our employees in the workplace, on Company property, in the trade or at any time while on Company business or on Company time. The Company is dedicated to maintaining a working environment free from sexual, racial, age-based, religious, ethnic, disability, and other forms of legally impermissible harassment or discrimination of any employee or applicant for employment. Examples of impermissible harassment include use of sexual, racial, religious, age or ethnic epithets or other derogatory words or actions based upon someone's sex, race, color, or national origin, religion, age, sexual orientation, disability, genetic information, or any other characteristic protected by law. Prohibited harassment includes, but is not limited to:

- Epithets, slurs and negative stereotyping,
- Use of profanity, threatening, intimidating and hostile acts, and
- Written or graphic material, including e-mail and internet material that denigrates or shows hostility or aversion toward an individual or group because of membership in a protected category.

This includes acts characterized as "jokes," "pranks," or "horseplay." Violations of this policy constitute a serious offense and violators will be disciplined up to and including termination.

SEXUAL HARASSMENT

The Company forbids sexual harassment in the workplace, on Company property, in the trade, or at any time while on Company business or on Company time. No employee should ever

threaten or imply, even in jest, that an individual's submission to or rejection of sexual advances will in any way influence any decision regarding that individual's employment, performance evaluation, pay, advancement, assigned duties, or any other condition of employment or career development. Violations of this policy constitute a serious offense and violators will be disciplined up to and including termination.

<u>DEFINITION OF SEXUAL HARASSMENT</u>

Sexual harassment includes unwelcome sexual advances; requests for sexual favors; and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment:
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.
 - In addition to the above listed conduct, "sexual harassment" can also include the following examples of unacceptable behavior:
- Unwelcome or offensive flirtation or physical conduct
- Propositions or other requests for sexual favors
- Repeated requests for dates, particularly if refused
- Verbal abuse, vulgar language or "jokes"
- Horseplay, pranks, or practical jokes, even if not intended to be harassing
- Comments regarding another's body, appearance, sexuality, sex life or sexual orientation
- Display or distribution of sexually suggestive objects, cartoons, pictures or writings
- Using the Company's e-mail or any other electronic system to send inappropriate sexually oriented communications
- Accessing sexual material from the internet during working time or on Company premises

ROMANTIC RELATIONSHIPS BETWEEN MANAGERS/SUPERVISORS AND DIRECT_REPORTS/HIRING OF RELATIVES

The Company prohibits romantic relationships between managers/supervisors and direct reports. Specifically, managers/supervisors must not retain responsibility for performance evaluations, promotions or pay of a direct report with whom they are romantically involved. Further, the Company strongly discourages romantic relationships between managers/supervisors and other employees. Each participant in a manager/supervisor and direct report relationship must bring it to the attention of the dealership General Manager and/or the Corporate Office who will then determine if it is appropriate for one of the employees to be transferred to a new location. Relationships prior to the policy activation date of 12/1/15 will be grandfathered in.

Our Company policy effective 12/1/15 will not permit hiring new employees who are related or in a close personal relationship to other employees within the same Dealership or business entity. Additionally, the Company will not permit team members within the same Dealership who become spouses or otherwise become related by marriage. However, relatives may work

for other companies within the Beck Automotive Group family. Employees who become related or have a close personal relationship must bring it to the attention of the General Manager or Corporate Officer. One of the related employees may be transferred to another location within the Group, only if the employee fulfills the qualification requirements. Relationships prior to the policy activation date will be grandfathered in.

Employees are prohibited from engaging in any kind of personal relationship with customers with whom they did not have an existing relationship or from using any information obtained in the course of business to further a personal or social relationship.

REPORTING DISCRIMINATION OR WORKPLACE HARASSMENT COMPLAINTS

Any employee or applicant who believes that discriminatory, harassing or other offensive conduct in violation of this policy is occurring or has occurred, whether or not it is directed toward the employee, must, without fear of retaliation, report the relevant facts immediately. We can help resolve a harassment problem only if we are aware of the circumstances. Therefore, it is the employee's responsibility to notify their Manager or Human Resources of all possible violations of this policy. All reports will be investigated as promptly as possible and with as much confidentiality as possible. When it is determined that a violation of this policy has occurred, the Company will take prompt and appropriate disciplinary action up to and including termination.

EMPLOYEE'S RESPONSIBILITY

In addition to notifying the Company if the employee believes a violation of this policy is occurring or has occurred, it is the employee's responsibility to participate and cooperate during an investigation and to report events or situations truthfully and timely.

There are several options to choose when making a report under this policy.

- 1. Reports should be made to the dealership General Manager, immediate supervisor and/or Human Resources.
- 2. If an employee feels uncomfortable reporting the matter to these individuals, then the employee should utilize the link found on our homepage that will enable them to send an email directly to Breck Sloan.

MANAGER'S RESPONSIBILITY

Any supervisor or manager who witnesses or hears about a possible violation of this policy or receives a complaint must report it to the dealership General Manager, Human Resources, or Breck Sloan immediately. In addition, it is the manager's responsibility to participate and cooperate during an investigation and to report events or situations truthfully. It is also the manager's responsibility to ensure that the reporting employee suffers no penalty or retaliation for reporting under this policy.

CONFIDENTIALITY

The Company will treat all reports and investigations under this policy with as much confidentiality and respect as possible for all parties involved. Information will only be shared with individuals on a "need to know basis."

RETALIATION

There is zero tolerance for retaliation. The Company forbids any retaliatory action to be taken against an individual who in good faith reports a perceived violation of this policy. Retaliation is also prohibited against individuals who participate in an investigation. Individuals who feel that they are being or have been retaliated against should report such retaliation to **Human Resources or Breck Sloan.**

CONSEQUENCES OF VIOLATING THE WORKPLACE HARASSMENT POLICY

Appropriate disciplinary action up to and including termination of employment will be taken against any individual found to have violated any provision of this policy.

Further, any Manager/Supervisor who is aware of a possible violation of this policy or receives a report of discrimination or harassment and fails to notify the General Manager, HR Department or Breck Sloan will also be subject to disciplinary action up to and including termination.

WHAT WE EXPECT FROM YOU

ABSENTEEISM AND TARDINESS

Employees are considered absent or tardy if they are not at their designated work areas when the work period begins. If an employee is going to be absent from work or tardy for any reason, the employee must **personally** notify the employee's manager as far in advance as possible. Some situations may arise in which prior notice cannot be given. In those cases, we expect the employee to notify the employee's manager as soon as possible. **PLEASE NOTE:** Leaving a message with the receptionist or with a coworker, voice mail, or text message does not qualify as notifying the manager. The employee must personally by speaking to the manager by telephone or in person contact the employee's manager or manager on duty each day the employee is going to be absent or tardy. Only if an employee is unable to make the telephone call personally, a family member or a friend may call the manager on the employee's behalf. When absence or tardiness is due to illness, the Company may require appropriate medical documentation.

Failure to report for work without proper notification may result in disciplinary action. After an absence of three or more days without proper notification, the employee may be considered to have voluntarily resigned and employment may be considered to have been abandoned as of the last day worked by the employee.

AUTHORITY TO ENTER INTO CONTRACTS

No employee, other than an officer duly authorized by the Company, has the authority to enter into contracts on behalf of the Company. Therefore, no employee should incur any unauthorized expense on the part of Beck Automotive Group.

BOMB THREATS

A bomb threat should never be taken lightly. If an employee receives such a threat over the phone, the employee should take the following actions:

П	Signal to someone hearby to call 911 while online with the caller.
	Record as much information as possible about what the caller is saying

П	Record the actual time of the call.
	Ask open ended questions.
	Keep the caller on the line.
	Remain calm and clearheaded during the situation.
	Immediately notify senior management for further appropriate action.

BULLETIN BOARDS

The Company maintains bulletin boards throughout the dealerships as an important source of information. The bulletin boards are to be used solely to post information regarding Company policies, governmental regulations, and other matters of concern to all employees and related to the employees' employment. Please develop a habit of checking the bulletin board daily to be familiar with the information posted there. No information may be placed on the bulletin board without the approval of the General Manager and Human Resources.

ELECTRONIC EQUIPMENT AND COMMUNICATIONS

Company computers, telephones, radios, email, websites, social media and internet are intended for Company business only. All Company provided equipment and information on these systems are the sole and exclusive property of the Company.

COMPUTERS

The Company may access all information stored on Company computers, even in files where personal passwords have been assigned. The Company may access data on any computer or portable drive that an employee uses while at work. Therefore, employees should not have an expectation of privacy with respect to Company provided computer equipment or systems, and should not put personal data or other information on these computers.

The Company may block any content, any application or media on any computer system that has access to the Company's networks at any time individually or systemwide. The Company may remote any computer system that has access to the Company's networks at any time individually or systemwide. Salespeople, technicians and other employees may be required to provide their own computer system, laptop or desktop. Said systems are required to have remote software, cyber filter and antivirus.

In order to prevent the introduction of viruses into the Company's computer systems, employees are prohibited from:

- Installing any kind software on Company computers
- Using personal portable storage devices on a company computer
- Downloading any files not directly related to Company business
- Accessing Company systems through a non-company computer unless prior approval is obtained from management

TELEPHONES

The Company telephone system is intended to allow us to quickly and effectively communicate with our customers and others. Therefore, we expect that personal calls will be kept short and kept to a minimum. No long distance calls may be charged to the Company. While we do not routinely monitor incoming or outgoing calls, the Company may monitor and record such calls

for customer relations and other lawful, business-related purposes. The Company may access any message left on our voicemail system, including employee's voice mailboxes, even though personal passwords have been assigned.

CELL PHONES

Employees are permitted to use personal cell phones while at work provided their use does not interfere with our service to our customers or adversely affect the employee's productivity. Whenever you are working with a customer, your cell phone should be turned off or set to vibrate so that you can give your full attention to the customer.

Studies show that a using a cell phone or texting while driving or operating equipment is extremely distracting and the operator can be as dangerous as a drunken driver. Therefore, our employees are prohibited from using hand-held cell phones and similar devices while driving any company vehicle. **If you need to use your cell phone or if you need to send a text message, you are required to pull over to a safe location and stop.** Hands free devices may be used while driving provided you can do so safely.

Employees are also prohibited from performing any mechanical service work while talking on a cell phone. We and our customers expect that you will devote your full attention to the work you are performing.

Possessing a cell phone or other device containing offensive pictures or video on our premises may be a violation of our no harassment policy and grounds for discipline up to and including termination.

The Company may monitor Company provided cell phones and review calls made and received as well as voice and text messages and other functions available on the phone. If a Company-provided phone has GPS tracking capability, the Company may access this function.

E-MAIL

The Company may access all incoming and outgoing e-mails on Company provided email accounts and systems, even where passwords have been assigned. Employees should limit the use of the Company's e-mail system to send or receive personal messages. Employees may not access their personal e-mail account or other non-business accounts or sites using Company provided equipment. Placing or receiving inappropriate, offensive, off-color, discriminatory, harassing, sexual or racial messages on our systems or forwarding such messages to coworkers or others may be a violation of the Company's harassment policy and may result in discipline.

All e-mail communications with prospective, current and former customers must be made via the Company's system only. Personal e-mail accounts may <u>not</u> be used for these communications nor may they be used to conduct Company business at any time.

CAMERAS

Many cell phones, tablets and similar devices contain cameras which can take pictures and record video and audio. In order to protect the confidentiality of our trade secrets, the sensitive customer and consumer financial information in our possession, and our confidential business information, we have adopted a policy which prohibits all employees from using any personal or company device to take pictures or to record video or audio of any individual or document

without authorization by management and a legitimate business need while on Company premises or in a Company vehicle.

INTERNET USE

Employees who have access to the Internet at the Company may use the Internet for business purposes only. In order to ensure compliance with this policy, we may monitor the web sites that employees visit via our computers or other company issued devices. The use of Company computers to trade securities, gamble, view or download sexually explicit materials, or for any other non-business purpose while at work, on Company time, or on Company premises may be grounds for termination.

ONLINE SOCIAL NETWORKING AND BLOGGING

This policy relates to social media, which generally consists of online tools that people use to share content, profiles, opinion, insights, experiences, perspectives, and media itself to facilitate conversation and interaction between groups of people. These tools include blogs, message boards, podcast, microblogs, lifestreams, bookmarks, networks, and communities. Examples of some of the media utilized include, but are not limited to, Facebook, Twitter, YouTube, LinkedIn, Flickr, etc.

PERSONAL USE

The Company strictly prohibits internet use such as social networking or blogging which:

- Uses the Company name or logo, or, Dealership's name or logo in photos or videos for commercial purposes or to endorse any product or service
- Uses the Company name or Dealership's name in text for commercial purposes or to endorse any product or service
- Uses a manufacturer partner's name or logo in photos or videos for commercial purposes or to endorse any product or service
- Includes pictures of the Company, Dealership's facilities in photos or videos for commercial purposes or to endorse any product or service
- Includes your Company e-mail address,
- Reveals confidential Company, Dealership or customer information,
- Violates the Company's no harassment, non-discrimination or other policies, or contains maliciously false statements about the Company, its managers, coworkers, or customers

Any conduct which is impermissible under the law if expressed in any other form or forum is impermissible if expressed through social media. For example, material that is discriminatory, obscene, defamatory, libelous, or threatening should not be posted on social media.

Employees should make it clear in any online social networking and blogging activities that the views and opinions they express are their own, have not been reviewed or approved by their employer, and do not necessarily represent the views and opinions of their employer. Also remember that online activity is oftentimes permanently available and open to being republished in other media.

Employees should understand that they are personally responsible for the commentary they

express and the material they post while engaging in online social networking and blogging activities.

Any employee who violates any aspect of this policy will be subject to discipline up to and including termination. If the violation causes damage to our systems, infects them with a virus or interferes with our business operations, the employee will also be held responsible for all damages.

BUSINESS USE

The Company's General Manager or designee have sole responsibility for the content management of Company-sponsored social media. While employees are invited to visit these sites, the Company maintains these social media sites to promote its products and services. Accordingly, these sites are not to be used for personal comments or communication by employees.

Non-exempt Company employees are not permitted to engage in work-related use of social media outside their normal work hours, unless the employee's supervisor provides advance written approval. If approved, non-exempt employees must accurately record and timely report all time spent on work-related social media use so the employees may be appropriately paid for these activities.

Employees may not use personal social media sites to post items as part of their official job duties. Rather, all such items must be directed to the Company's General Manager or designee for posting on social media sites belonging to the Company. Authorized employees using social media to communicate on behalf of the Company must always disclose their actual name along with their affiliation with the Company.

The Company's social media sites are the exclusive property of the Company. If employment ends, an employee must immediately relinquish control of any Company social media sites and provide the Company all login and password information associated with these sites.

GENERAL

Employees are prohibited from engaging in any internet blogging, online social networking, or other form of online publishing or discussion activities while on Company time, property or business, unless specifically authorized by the corporate social media department.

Employees engaging in online social networking and blogging activities are subject to all of the Company's policies and procedures, including, but not limited to, the Company's policies (i) protecting the confidentiality of Company information, (ii) safeguarding Company property, (iii) prohibiting any type of employment discrimination or harassment, and (iv) governing use of the Company's electronic systems.

Employees are prohibited from disclosing or discussing any of the Company's confidential or proprietary information, or any information regarding the Company's clients or business partners, or details of a particular client engagement, in any online social networking and blogging activities. Even the fact that a particular entity or person is a client or business partner of the Company must be treated as confidential and should not be mentioned in any online social networking and blogging activities.

Likewise, employees are prohibited from using the name, trademarks, logos, other identifying marks or copyright-protected material of the Company or its clients or manufacturer partners for any commercial purposes or to endorse any product or service in any online social networking and blogging activities prior to receiving approval from the corporate social media department.

Employees engaging in online social networking and blogging activities are expected to remain respectful of readers, and co-workers, clients, partners, affiliates, vendors and suppliers, and competitors (and their products and services), should not post any material that is obscene, vulgar, defamatory, threatening, discriminatory, harassing, abusive, hateful or embarrassing to another person or entity, or contains any content prohibited by the Company's policies and procedures.

Employees should make it clear in any online social networking and blogging activities that the views and opinions they express about work-related matters are their own, have not been reviewed or approved by the Company, and do not represent the views and opinions of the Company. Also remember that online activity is oftentimes permanently available and open to being republished in other media.

Nothing in this policy is designed to interfere with, restrain, or prevent employee communications regarding wages, hours, or other terms and conditions of employment.

Employees should understand that they are personally responsible for the commentary they express and the material they post while engaging in online social networking and blogging activities.

Any employee who violates any aspect of this policy will be subject to discipline up to and including termination. If the violation causes damage to our systems, infects them with a virus or interferes with our business operations, the employee will also be held responsible for all damages.

CIVIC DUTIES

We encourage each of our employees to accept his or her civic responsibilities. As a good corporate citizen, we are pleased to assist you in the performance of your civic duties.

JURY DUTY

Employees who receive a call to jury duty should notify their supervisor immediately so that the Company can plan the department's work with as little disruption as possible.

Employees who are released from jury service before the end of their regularly scheduled shift or who are not asked to serve on a jury panel are expected to call their supervisor as soon as possible after being released and report to work if requested.

Full time employees who have completed their introductory period and have been selected and serve on jury duty will be reimbursed up to one week's wages for time lost. The employee must provide proof of selection and service days in order to be compensated. Jury Duty pay will be calculated the same as PTO pay. Employees will be required to turn in proof of service that the Clerk of Courts will provide.

Employees are not required to reimburse or turn over any compensation received from the applicable court for time spent on jury duty.

Additionally, an employee that requires jury time longer than one week may use any available PTO time to continue to receive compensation.

VOTING

Although polls are generally open extended hours, we realize that overtime work may prevent some employees from making it to the polls to vote. Employees should let their supervisor know that they need an adjustment to their schedule.

ADDITIONAL POLICIES AND WORK RULES

CASH HANDLING PROCEDURES

From time to time employees will be called upon to handle cash received in the course of their duties as employees of Beck Automotive Group. Whenever cash is received by a Beck employee, it is the policy of Beck Automotive Group that the cash shall immediately be deposited into a safe located at the dealership where the cash is received. Down payment and other large deposits should be counted by two people (one being a manager or a cashier). After hours one person should be a manager (F&I Mgr. is ok).

Further, two people shall be required to witness the cash deposit into the safe and each of these individuals shall be required to sign and date a form acknowledging the customer name, deal number on the envelopes as well as the amount of cash received and verifying the deposit into the safe. When the deposit is removed by the accounting office it should be removed and counted by two people. Employees are not permitted to cash personal checks at the Company.

PROCEDURES FOR ACCEPTING CASH

- When the customer pays with cash, the F&I Manager must count the cash in his/her
 office in front of the customer and on video. The F&I Manager will then take the cash
 to the designated person receipting the cash, who also counts the cash in front of
 the F&I Manager. The cash is then sealed in an envelope and both the F&I Manager
 and designated person initial the envelope.
- The envelope must have the customer's name, deal number and the denominations of the cash and how many of each denomination recorded on the envelope.
- If during business hours, the envelope is then taken to the cashier and immediately counted, verified and receipted into the Reynolds system. The customer is given their receipt.
- If after cashier hours, the customer is given a handwritten receipt and the FI manager secures the money for the cashier to receipt the next morning.

COMMUNICATION WITH MEDIA

There are certain legal implications that can arise from things we say to the media, and many times people can be misunderstood or misrepresented in an interview. Extreme caution needs to be taken in press situations; thus, the Company will respond to the news media only through designated spokespersons. This guideline includes giving your personal opinion regarding any industry and/or business matters to the local or national media as a representative of the

Company. There are certainly times when it will be beneficial for Company employees to speak to the press on behalf of the Company or as representatives of the Company. In these situations, employees must receive the appropriate consent from Breck Sloan.

CONFIDENTIAL INFORMATION

Employees may come into contact with or have access to a wide variety of customer information. All personal information that we obtain concerning a customer, whether directly from the customer or through a credit report, is to be treated as **strictly confidential**, and may only be used for the legitimate business purposes directly related to our sale or lease of a vehicle. Federal law and good business practices require that we carefully safeguard this information from disclosure to any unauthorized person whether in this Company or outside. In order to accomplish this, we have adopted detailed policies concerning the proper handling, safeguarding and destruction of customer information. Please see the Sales and F&I Guidelines for detailed information about the Company Policy. Be familiar with these policies. If an employee is not sure what to do with this information, ask a Department Manager. **Never** leave customer information on a desk unattended. **Never** leave it in an unlocked office. **Never** provide it to another employee or someone outside our company unless that individual has a legitimate business "need to know" that has been verified. **Never** remove it from the Company in paper or electronic format. **Always** treat our customers' personal information as you would treat your own personal information.

Financial and other information related to our business operations is also to be treated as strictly confidential. Such information includes, but is not limited to, our monthly financial statements, current and historical sales figures, CSI data, information concerning current and prospective customers and lease customers, inventory lists, vehicle invoices, contracts and other financial arrangements with our vendors and finance sources, information concerning our performance relative to other Companies, information related to our relationship with our manufacturers, personnel information, and other confidential and proprietary business operations. Confidential Information may not be disclosed to any other Company employee except on a "need to know" basis, nor may it be disclosed to any person or entity outside the Company. All confidential information, whether in electronic or paper format, must be returned promptly when requested or when an employee leaves our employment. Failing to return this information, removing it from our premises or using confidential information for any business purpose other than for the benefit of the company is strictly prohibited and grounds for immediate termination. Any questions as to what is covered by this policy or what is to be treated as "confidential" should be directed to the General Manager or Controller for clarification before disclosing confidential information to anyone.

Company computers contain a wide range of confidential information concerning our business including customer lists. This information is considered a valuable company asset. In addition, our computers contain confidential non-public information concerning our customers. Because we are required by federal law to carefully safeguard our customers' information, employees are not permitted to bring personal computers onto our premises or to load any customer information onto a PDA, flash drive, "memory stick" or other electronic device. Anyone who removes Company or customer information from our premises or uses the information to benefit any person or entity other than the Company is subject to discipline.

This policy will not be used to, nor should it be interpreted to, interfere with, restrain, or prevent lawful employee communications regarding wages, hours, or other terms and conditions of employment.

Employees who violate this policy may be subject to disciplinary action, up to and including termination.

CONFLICT OF INTEREST

The Company prohibits self-dealing by our employees and requires that all actions taken by our employees be in the best interest of the Company. Examples of self-dealing or other actions by an employee that would be considered a conflict of interest include the hiring of family members to work for the Company without proper approval; investing or funding a supplier, customer, business partner or competitor of Beck; or pursuing a business opportunity discovered while working for Beck. Conflicts of interest may arise if employees are involved with a not-for-profit business, including charities. Employees who think they may have a conflict of interest should contact Breck Sloan.

PURCHASE AND SALE OF VEHICLES.

The Conflict of Interest Policy outlines procedures for the purchase and sale of vehicles by Beck employees or their immediate family members:

The Company encourages our employees and their family members to purchase their vehicles from our family of dealerships. However, the purchase of these vehicles under the employee discount program with the intent to resell these vehicles, regardless of profit, is strictly prohibited. Any employee participating in this practice may face disciplinary action up to and including termination.

COURTESY AND COOPERATION

Courtesy is the responsibility of every employee. We expect everyone to be courteous, polite and respectful both to our customers and to their fellow employees. Rude, unprofessional or offensive conduct or language in violation of company policy directed at a customer or coworker will not be tolerated.

From time to time employees may be asked to perform lawful tasks that are outside their normal duties. We expect employees to cooperate with the Company and our managers, and perform these new duties as requested unless they pose a safety hazard or another valid reason exists

We expect every employee to follow the lawful instructions of the managers and other Company officials. If an employee believes that the employee is being directed to do something that is illegal or unethical, the employee should report it to the General Manager, Human Resources, or Breck Sloan. We also expect every employee to cooperate fully with any internal investigation we conduct.

Employees who are given a written notification or warning of any kind must acknowledge their receipt of that document. Employees who disagree with the content of the document may attach an explanation or a rebuttal. **However, employees may not refuse to acknowledge they have received it.**

ARRESTS AND CONVICTIONS

Employees must immediately inform their Manager and Human Resources if they are arrested, charged, or convicted of any criminal activity. Employment may be suspended pending the

outcome of an arrest depending on the circumstances. Failure to disclose in violation of this policy may result in corrective action up to and including termination.

CUSTOMER INJURIES ON PREMISES

If a customer is injured on Company premises, the accident should be immediately reported to the General Manager and the Department manager. The next step is that the General Manager and/or the Department Manager should then complete the appropriate company incident forms and follow the proper investigation steps including taking appropriate and timely photographs of the scene and then forward all to HR. Depending on the severity of the injury, the customer may choose self-treatment or request ambulance service. If a customer is seriously injured, 911 should be called immediately for further assistance.

LOSS OR DAMAGE TO COMPANY PROPERTY

In order to serve our customers better, and to make your job easier, we have made a tremendous investment in our building and equipment. Deliberate or careless damage to the Company's, your coworkers', or customers' property will not be tolerated.

If it is determined that an employee is negligent in the proper storage, handling or care of Company tools, materials or supplies, or if such is misplaced or otherwise unaccounted for, the employee will be required to replace same at fair market value or may choose to have the cost deducted from his/her paycheck. Repeated loss of tools, equipment, materials or supplies may also lead to further disciplinary action up to and including discharge. When leaving a work area, it is required that all tools be removed and secured in locked storage (if available) or otherwise placed in designated storage areas. All Company property must remain on the premises at all times unless approved in advance by the General Manager. Company owned vehicles cannot be used for personal reasons, including lunch runs and errands.

DRIVER'S LICENSE AND DRIVING RECORD

All employees are required to have a valid Florida state issued driver's license. Maintaining a valid driver's license and a driving record acceptable to our insurance company are conditions of continued employment. If, for any reason, our insurance carrier declines to insure an employee, the employee may be disqualified for employment. The following does not qualify as a valid driver's license: suspended, revoked, partial reinstatement, no driver's license, permit, or identification card.

Any employee who receives a citation for a moving violation or DUI/DWI, whether on or off the job regardless of whether it occurs in a company owned vehicle or personal vehicle, must report that fact in writing to the Human Resource Department and GM immediately. Similarly, any employee whose license is suspended or revoked for any reason must also report this in writing to the General Manager and HR or immediate supervisor immediately. If an employee fails to disclose a citation, revocation or suspension, the employee will be subject to immediate disciplinary action up to and including termination. The Company does conduct annual motor vehicle checks. The employee is also responsible for updating HR and the General Manager as the case progresses and for reporting the final outcome.

If an employee is involved in an accident of any kind while operating a vehicle at work, the Company will make a determination as to whether or not the employee will be permitted to continue operating vehicles and whether disciplinary action is appropriate.

ADDITIONAL REQUIREMENTS FOR CERTAIN DRIVING POSITIONS

We have a responsibility to the public and to our employees to ensure that any employee who drives a vehicle on the public roads as a part of his or her job does so safely. Therefore, we have imposed the following requirements for these employees:

SHUTTLE DRIVER / DEALER TRADE DRIVER

All Shuttle Drivers are required to maintain a valid driver's license at all times. A Shuttle Driver may not receive any more than one moving violation in a calendar year. A major violation, including DUI/DWI, reckless driving, will be grounds for immediate termination.

SALES ASSOCIATE

All Sales Associates are required to maintain a valid driver's license at all times. A Sales Associate who exceeds our insurer's guidelines during any calendar year will be subject to corrective action up to and including termination.

SERVICE TECHNICIAN

All Service technicians are required to maintain a valid driver's license at all times. A Service Technician who exceeds our insurer's guidelines during any calendar year will be subject to corrective action up to and including termination.

SERVICE ADVISOR

All Service Advisors are required to maintain a valid driver's license at all times. A Service Advisor who exceeds our insurer's guidelines during any calendar year will be subject to corrective action up to and including termination.

PARTS DRIVER

All Parts Drivers are required to maintain a valid driver's license at all times. A Parts Driver who exceeds our insurer's guidelines during any calendar year will be subject to corrective action up to and including termination.

EMPLOYEES ASSIGNED COMPANY VEHICLES

All employees who are assigned company vehicles are required to maintain a valid driver's license at all times. An employee who exceeds our insurer's guidelines during any calendar year will be immediately removed from the company vehicle. The employee may be subject to additional corrective action up to and including termination.

DRUG AND ALCOHOL POLICY

We do not tolerate the use of illegal drugs by any employee, or any employee reporting to work under the influence of illegal drugs or alcohol or consuming alcohol while at work, or working with alcohol in his or her system. Our employees are strictly prohibited from possessing, using or participating in any transaction involving alcohol, illegal drugs or other mind-altering substances on Company property, in Company vehicles or while on Company business. We do not permit the use of alcohol during the workday, **including at meals**. Off-premises possession, use, sale or purchase of illegal drugs or mind-altering substances outside of working hours may reflect unfavorably on our reputation as a Company and is also prohibited.

The Company has the right to require an employee to submit to testing for drugs or alcohol as a continuing condition of employment as the Company deems necessary for the safe and efficient operation of business. Employees may be required to submit to drug or alcohol tests at the request of the Company to begin employment, at random intervals, to return to work, based on client requirements and other business needs, and following an on-the-job injury or accident. Also, if the Company has reason to believe an employee is under the influence of alcohol or has used controlled substances, the employee will be asked to undergo a drug or alcohol test to confirm or deny drug or alcohol use in violation of this policy.

The presence of any illegal drug or measurable amount of alcohol in the employee's system is a violation of this policy. Refusal of an employee to undergo drug or alcohol testing, failing to cooperate fully when asked to submit to a drug or alcohol test, and tampering with or providing a diluted specimen for drug or alcohol testing are also violations of our policy and grounds for immediate termination.

An applicant for employment who provides a drug screen sample that results in a Positive Result will not be eligible to obtain employment with the Beck Automotive Group and any of its subsidiaries for at least six (6) months.

The Company makes a significant investment with each employee. Because of this, any current employee who tests positive will face severe disciplinary actions which may include increased random drug tests at the **EMPLOYEE'S** expense, probation, drug counseling at the **EMPLOYEE'S** expense, and even the termination of employment. A positive drug or alcohol result at the very minimum will revoke all company vehicle driving privileges.

This policy does not prohibit the proper use of medication including currently prescribed prescription drugs under the direction of a physician. However, the misuse or abuse of a prescription medication or the use of a prescription medication prescribed for another person are violations of this policy. Additionally, to the extent permitted by and in accordance with applicable law, this policy does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a policy violation or a positive drug test, to the extent an employee is subject to any drug testing requirement. Employees who are taking prescription or non-prescription medications that are interfering or will interfere their ability to perform their job safely must discuss this with their physician before reporting to work. Any impairment on the job from the use of prescription medications may result in discipline. Employees should provide Human Resources with a current copy of any valid prescription that may result in a positive drug screen.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist employees recovering from substance and alcohol dependencies, and those who have a medical history that reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation.

EMPLOYEE COSTS AND CHARGES

Each store is responsible for supplying business cards at no cost to the employee.

Employees are responsible for the following costs: Dealer/Manufacturer Shirts – The cost of logo shirts required by the dealership will be cost share 50% - 50% up to 4 shirts. Employees may purchase additional shirts at company cost.

All uniform and other required clothing items (for example technician uniforms and other Cintas Type uniform items) will be cost-shared at 50% - 50% between employee and the dealership. The employee portion of the cost will be deducted as a payroll deduction. New hires entitled to a uniform will be set up with a standard uniform deduction at time of hire.

EMPLOYEE FILES

All employee files are kept in a secure area. Employee files and associated documents are Company property and may not be removed from that secured area. It is the employee's responsibility to notify Human Resources of any updates or changes to the employee's personal information.

EMPLOYMENT VERIFICATION

All employment verification must be completed by HR and must be in writing and authorized by the employee.

ENVIRONMENTAL COMPLIANCE

Employees working with chemicals, paints, waste oil, CFC (Chlorofluorocarbon) and emissions testing equipment are required to be familiar with and comply with the applicable laws and regulations. If something may be in violation of a law or regulation, report it to the General Manager or Human Resources.

EXIT INTERVIEW

Any employee leaving the Company may be required to attend an exit interview conducted by Human Resources. The purpose of the interview is to determine the reasons for leaving and to resolve any questions of compensation, insurance continuation, return of Company property, or other matters related to leaving. The employee will also have the option to complete an online exit interview by accessing the link provided on our intracompany website, which will send the HR Director a notice of request. The employee will then receive from the HR Director the instructions and link to the online exit interview.

FIGHTING AND THREATS

To protect all of our employees, we prohibit fighting and threatening words or conduct. Such activity can result in termination of employment as well as criminal prosecution. We also prohibit the possession of weapons of any kind on Company premises, including in personal vehicles on Company property, unless such prohibition is restricted by applicable law.

FALSIFICATION OF COMPANY RECORDS

Falsification of any application, medical history record, invoice, work order, emissions inspection, benefit or warranty claim, purchase order, time record or any other document is **strictly** prohibited. No employee may ever sign the name of a customer to any document. If a violation of any of these rules or any other fraudulent conduct is observed, report it directly to the General Manager or Human Resources immediately.

GAMBLING

Gambling is strictly prohibited on Company premises or during work hours.

GAS CARDS/ CREDIT CARDS/VOUCHERS

The use of Company gas cards, credit cards/vouchers is strictly limited to Company activities. All holders of Company gas cards and credit cards must be authorized. Use of a Company gas card/voucher is not permitted with demonstrator vehicles or personal vehicles.

DEMONSTRATOR VEHICLES

The use of a Company vehicle is a benefit that may be provided to employees depending on their position within the Company. There are restrictions and requirements that employees must understand and agree to. In order to ensure we are in compliance, employees will need to read and acknowledge by signature the Company Vehicle / Demonstrator Agreement Use Form and Company Vehicle / Demonstrator Agreement. Please obtain these forms from the Human Resources Director. The Company is NOT responsible for the fuel.

ACCIDENTS IN COMPANY OWNED VEHICLES

All accidents involving Company or customer vehicles must be reported to the General Manager, Controller, and Human Resources.

If the motor vehicle accident occurs on a public roadway or other instance where local law enforcement must be notified, it is the employee's responsibility to comply with all local laws, regulations, and notification procedures. Any traffic citation will be the employee's responsibility, including toll violations and red-light citations.

Additionally, all employees involved in a motor vehicle accident involving Company or customer vehicles will be required to submit to a drug and alcohol screening as soon as possible after the accident.

Traffic violations and chargeable accidents may affect driving privileges and may result in other disciplinary action up to and including termination of employment.

GIFTS AND GRATUITIES

It is important for all Beck personnel to use good judgment when determining whether a personal gift, meal or entertainment from our customers, suppliers, manufacturers, vendors or otherwise is appropriate. Business gifts that could influence an employee, or could be perceived to have influenced an employee, to use a certain supplier, vendor or otherwise, are inappropriate and should not be accepted. It is not appropriate to accept gifts of cash or a cash equivalent such as gift cards, vouchers, checks, money orders, stock or other similar items. It is also against Company policy to solicit a gift or gratuity.

GIVING GIFTS/CONTRIBUTIONS

Gifts given with the intent to bribe, receive a kickback or place undue influence are not the way Beck conducts its business. An appropriate business-related gift is:

- Of moderate value and frequency;
- Not something that will embarrass or discredit Beck;
- Appropriate and lawful in light of the recipient's business relationship to Beck; and
- Not cash or a cash equivalent such as gift cards, vouchers, checks, money orders, stock and similar items.

Prior to providing any government official with gifts or entertainment, please contact Breck Sloan.

HAZARDOUS AND TOXIC MATERIALS

If a job requires that employees use hazardous or toxic materials, employees expected to comply with all federal, state and local laws and regulations concerning their safe handling and disposal. Employees should be familiar with proper handling and safety procedures. Also be sure to review the MSDS's Material Specification Data Sheet for chemicals used in the department. Please discuss questions with the Department Manager. In addition, the Company may require personnel to attend safety training throughout the year. These training sessions are mandatory and failure to complete may impact the employee's ability to perform their required duties.

HIRING GUIDELINES

We are an Equal Opportunity Employer that strives to hire the best available candidates. We have developed a specific hiring procedure designed to obtain accurate information on candidates in a number of different areas. The procedure consists of the following elements:

- Completion of an accurate application
- Applicant must be 18 years of age (Sales Employees Must be 21 years of age)
- Successful Completion of Drug screen
- Background check (criminal and driving)
- Prior Employment/Reference verification
- No credit for prior time served for employee benefits. We will reinstate if less than 30 days and if we are recruiting the employee to return.

If an applicant is rejected for employment because of an unsatisfactory criminal or driving record, the individual must be notified in accordance with the Fair Credit Reporting Act. Access to this hiring information will be limited to Human Resources and the General Manager only.

HONESTY

Our credibility with our customers is the most important element of our relationship. Sales and finance personnel are required to make full disclosure of all costs and charges associated with any sale or lease. Misrepresentation to a customer is against Company policy and against the law. The law provides for the personal liability of any employee guilty of misrepresentation. It is also against Company policy to mislead or misrepresent any credit application or customer status to any financial institution. Employees are also expected to be honest in their dealings with their supervisors and co-workers.

HOUSEKEEPING

Employees are responsible for maintaining their own work areas in a presentable manner. At the close of each business day ensure that all equipment is cleaned and put away. All stationery and miscellaneous supplies should be removed from benches/furniture tops. No paperwork may be left out overnight in customer access areas. Employees are expected to discard garbage in the proper waste receptacle. Remember, we want our customers to look at us as a professional, neat organization.

ILLEGAL ACTIVITY

Employees are not permitted to engage in any kind of illegal activity on duty, or on Beck Automotive Group's property, or while off the job. Illegal activity that reflects detrimentally on the reputation of Beck Automotive Group will be disciplined up to and including termination.

IMMIGRATION LAW COMPLIANCE

We comply with the federal Immigration Reform and Control Act and hire only people who are authorized to work in the United States. The law requires that all employees submit documents at the time of hiring that establish both identity and employment authorization, or produce evidence the employee has applied for such documentation, within three days of hire. If documentation has not been provided to the Company within 30 days, employment will be terminated. If the work authorization has an expiration date, it is the employee's responsibility to get it renewed or extended before that date. No one will be allowed to work with an expired authorization.

INCLEMENT WEATHER

Whenever the Company is open for business, all employees are expected to report as scheduled. The Company does not want employees to drive in unsafe conditions or take unreasonable risks to get to work. However, if an employee feels that it is not possible to report to work because of the weather, that decision should be reported to the employee's supervisor as soon as possible. The Company generally will respect this decision, except that under some circumstances, the Company may offer alternative transportation. Employees who have PTO, which they are entitled to use, may elect to charge the absence to Paid Time Off. Otherwise, the absence will be without pay. Difficulty in traveling may be recognized as a factor that may contribute to delays in reporting for work.

INSPECTION OF PROPERTY

In order to protect, our employees, our customers and the Company, may inspect all lockers, desks, toolboxes, purses, briefcases, computers, vehicles and any other personal property which is brought onto Company property. Employees should not have an expectation of privacy in any items they bring onto Company property. The Company cannot be responsible for the loss or theft of personal items. It is the employee's responsibility to keep personal items secure at all times. The Company cannot replace or reimburse employees for any lost or stolen personal property.

IRS CASH REPORTING

All team members must comply with all cash reporting laws and regulations established by the IRS. The Company's policy prohibits team members from discussing cash reporting laws with customers. All customer questions concerning this subject should be referred to the General Manager. Team members are prohibited from structuring payments with a customer in any way that would avoid the IRS cash reporting requirements. Violation of this policy can result in termination and could result in a felony conviction. Please consult the Dealership's Sales and F&I Compliance Guidelines for additional information.

JOB PERFORMANCE

Employees are expected to devote their full attention to doing their job correctly and professionally. All correspondence and financial documents must be error-free and neatly prepared. Even simple errors cause unnecessary inconvenience and irritation to our customers

and require additional work to correct. Errors can also cost the Company thousands of dollars.

All service and repair work must be completed promptly and in expert fashion. All parts must be properly installed and accounted for. If an employee is unsure of the diagnosis or solution for a problem, the employee should review the matter with a supervisor before proceeding. It is critical that we get it right the first time.

JOB TITLES

The title of "Manager" is generally reserved for those individuals who make decisions for the Company and/or manage people and assets. As an internet salesperson or finance manager, that criteria does not apply, however, it has become customary with our competitor's e-Commerce salespeople to include the title "Internet Manager" or "Finance Manager" in their emails.

We do not want to put our employees in an inferior competitive situation and will grant our employees the ability to use that title in official customer correspondence and on your business cards.

KEY CONTROL

Each Company team member to whom a key is given is responsible for the proper use of that key and will be required to sign for it. A lost or misplaced key must be reported immediately to the Department Manager. Never duplicate or loan a key to anyone for any reason. See the Department Manager for another key. All keys must be turned in on the employee's last day of work. In addition, key holders that are responsible for securing their department and/or building must adhere to the proper closing procedures to ensure the property is secure.

CUSTOMER / INVENTORY KEY CONTROL

It is very important that all Customer/Inventory keys be kept in a secure location at all times. Any keys that are found are to immediately be turned over to the employee's supervisor.

LOANER CARS

Any employee, family member, or friend must have a car in service in order to obtain the use of a loaner vehicle.

LICENSE PLATE CONTROL

It is prohibited to use any dealership dealer tags or drive off tags for personal use or on personal vehicles. Any additional tags needed by a customer that has purchased a vehicle must be approved by the General Manager and comply with local laws.

KEY REPLACEMENT POLICY

In order to insure vehicle security against auto theft the following procedures must be followed when making a replacement key for a customer. Verification should include both Driver's License of requester and verification of vehicle ownership.

• For security and protection against auto theft a valid Driver's License is required before a key can be cut.

- The vehicle registration form or other proof of ownership is required (i.e. a title) and must be original documents with a current date *Never accept handwritten copies*. For vehicles purchased from our company, a computer history with <u>proper</u> identification will be sufficient.
- Cutting keys for customers other than the registered vehicle owner may result in the
 dealership and/or employee being charged with aiding and abetting in Grand Theft
 Auto. Both the Company and the employee may be determined liable in the event the
 vehicle is stolen.
- When vehicle ownership cannot be proven beyond a reasonable doubt, do not provide keys. Refer the customer to their selling dealership.

LEGAL REQUIREMENTS

The Company is covered by many different federal, state and local laws. We expect all employees to comply strictly with each of these laws.

REASONABLE ACCOMMODATIONS

Employees with qualified disabilities often wish to continue their normal pursuits, including work. The Company supports these endeavors. The Company will make reasonable accommodations in accordance with all legal requirements to allow qualified employees with disabilities to perform the essential functions of their jobs.

Medical information on individual employees is treated confidentially. The Company will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

ON THE JOB INJURIES

If an employee is injured while at work or while on Company business, the employee may be eligible for workers compensation benefits. In order to qualify for these benefits, the employee must report the injury to the Department Manager or Human Resources immediately and make a written report of the injury. Failure to promptly report an injury may result in the employee being denied benefits. Therefore, we require employees to promptly report **all** accidents and injuries, no matter how minor they may be and whether or not they require medical attention.

OPERATION OF CUSTOMER VEHICLE

While a customer's vehicle remains on Company property, everyone should accept responsibility for its care and treatment. If a customer's car is damaged in any way, stolen or improperly used while in our possession, the Company might be held responsible. Therefore, we expect our team members to treat every customer's car as if it were their own. There are a few common-sense rules that keep us from upsetting our customers:

- Do not play the radio except to repair it;
- Do not change the radio station;
- Do not smoke or eat in a customer's vehicle at any time;
- Do not drive the vehicle for personal business of any kind, and if you must drive the

- vehicle, do not carry any passengers;
- Do not remove any customer property from the vehicle.

In the event that a client's child safety seat must be removed by a Beck associate, the following procedure must be strictly adhered to:

<u>First</u> – Communicate to the client that the labor operation we are about to perform involves the removal of their child safety seat and that our policy prohibits the reinstallation of this safety device by anyone other than the owner of the vehicle.

<u>Second</u> – Only proceed with the labor operation **AFTER** the client agrees to our policy and grants us the permission to remove their child's safety seat.

<u>Third</u> – Once the labor operation requiring the removal of the safety seat has been performed, replace the safety seat **UPSIDE DOWN** in the same vehicle seat it was removed from. This will prevent the client from assuming that the device has been fully and properly reinstalled and ready for the safe occupation of a child.

Since customer satisfaction is essential to the continued success of the Company, these rules must be strictly adhered to.

OUTSIDE EMPLOYMENT

There have been times when most of us have had the opportunity or the need to have two jobs at one time. It is important that such outside employment does not interfere in any way with an employee's primary job with the Company. Employees should be careful that extra hours of work do not affect the safe performance of their regular job, by leaving them tired and slow to react.

Outside employment that interferes with an employee's work hours is unacceptable and may result in discipline, up to and including termination.

If an employee's second job creates a potential conflict of interest, for example, working for a competitor, or buying, selling or repairing vehicles, we expect the employee to discuss the matter with the General Manager.

OVERTIME

We may periodically schedule overtime or weekend work in order to meet business or customer needs. We will attempt to give employees as much advance notice as possible, and we expect that all employees who are scheduled to work overtime will be at work, unless excused by their Manager. Overtime pay is paid only when a non-exempt employee actually works more than forty (40) hours in a workweek or as required by law. Paid Time Off (PTO) is not counted as "hours worked." All overtime must be approved in advance by the employee's supervisor. Any employee who works overtime that is not authorized in advance by the employee's supervisor may be subject to discipline, up to and including termination.

PARKING

It is important that we have sufficient convenient parking for our customers. Therefore, we require all employees to park their vehicles in the area designated for employee parking. Questions as to where to park should be directed to a manager. Repeated violations of this

policy will result in the employee losing the privilege of parking on our premises. We cannot be responsible for theft from or damage to personal vehicles while parked or driven on company property. Please be sure to remove any valuables and lock vehicles when they are parked in the designated areas.

PARTS AND SCRAP

All new, used, or recalled parts that are not returned to the customer are the property of the Company. No employee may remove any used part – including scrap – from the Company without written authorization from the General Manager.

PAY ADVANCES

We do not make loans or advances in pay to our employees, nor do we allow any "open accounts" to employees for service, parts or for purchase of a vehicle.

PERSONAL APPEARANCE AND GROOMING

We expect all employees to present a neat, well-groomed professional appearance while at work. We also expect all employees to display a courteous disposition when interacting with our customers. We feel that these qualities go further than any other factor in making a favorable impression on the public and your fellow workers. All employees should dress in a business-like manner, appropriate to their department. The following are basic guidelines and each store's General Manager has the option of adding additional personal appearance and grooming standards.

GROOMING STANDARDS

- Clothing must always be clean, pressed, presentable and in good repair.
- Any smell to excess, good or bad, will impact those around. Use of cologne/perfume should be minimized and those that smoke should be sure to take steps to eliminate the smell from their body and clothing.
- Personal hygiene and cleanliness are required.
- No visible body piercing is acceptable while on the job, other than earrings for women. Women may wear a maximum of two pairs of earrings.
- Sunglasses should be professional and removed when indoors.
- Hair should be clean, neatly trimmed, worn in a neat and natural style and combed.
- Hair accessories should be small, simple, and kept to a minimum.
- Service and Body Shop Team Members must ensure hair length does not present a safety issue.
- Mustaches, goatees, beards and sideburns must be neatly trimmed and groomed at all times.
- Footwear should be appropriate for the position.
- Appropriate undergarments should be worn.
- Employees should not have any visible offensive tattoos.

DRESS CODE

Business Attire

<u>Women</u>

Business suit or skirt or slacks, and coordinated blouse, shirt or sweater, or dresses in fabrics traditionally acceptable for business.

<u>Men</u>

Dress slacks with a short or long-sleeved dress shirt and tie.

Business Casual Attire

Women

Dress slacks or skirt, and coordinated blouse, shirt or sweater, or dresses in fabrics traditionally acceptable for business.

Men

Dress slacks with a short or long-sleeved dress shirt and no tie, or a Company authorized logo polo styled shirt.

Only the top (neck) button of the shirt may be unbuttoned.

Undershirts should not be visible; in other words, with an open-neck shirt, any undershirt must be a v-neck undershirt.

Those employees working in business departments wear business or business casual attire as directed by their Manager. Employees who are provided with Company uniforms must wear them at all times.

The following are not permitted and should not be worn at any time:

	Tennis or Athletic Shoes (Except Lot Attendants) except when authorized for the
positio	n or required by a medical physician and approved by management
	No mini-length skirts or dresses
	No shirts with stomach or back visible
	No low-cut shirts or dresses
	No flip flops
	No undergarments may be worn as outer garments
	No tank tops or spaghetti straps
	No leather pants
	No jogging or gym clothes
	No tight fitting clothes
	No denim (except for dress down days authorized by the manager)
	No shorts for Sales or Office

Employees are expected to observe the Company's personal appearance and behavior policy at all times while at work. Employees who report to work in unacceptable attire may be requested to leave work and return in acceptable attire. Such time off from work will generally be without pay.

Only those employees participating in the Beck Scholarship Program are allowed to participate

in Casual Friday. Beck Scholarship stickers must be worn on Casual Fridays and employees must maintain a neat and groomed appearance and jeans must not have holes.

PERSONAL MAIL

Excessive amounts of personal mail should not be sent to the Company. Any inappropriate mail sent to the Company will be discarded immediately. Company stationary is only to be used for Beck Automotive Group's purpose. No employee is permitted to use the Company's postage meter(s) or stamps for personal mail.

PROMOTIONS

It is our policy to promote from within wherever possible. However, because we often have to fill key positions quickly, we cannot check with each qualified employee to see if the employee is interested in being considered for each opening. Therefore, employees who are interested in a promotion to another position, should discuss it with their Department Manager. Employees who wish to be considered for a specific opening, should let their manager know with a brief memo. Employees who feel that they were not given fair consideration for a specific position, should discuss their concerns with the General Manager or Human Resources.

RED FLAG POLICY

Company policy requires employees to take specific steps in order to prevent identity theft at our stores. Please become familiar with the Company's Red Flags Identity Theft Prevention Policy, contained in the Sales and F&I Compliance Guidelines. The Company has also designated a Red Flags Manager to answer any questions.

RE-HIRES

Employees who leave the Company in good standing may be considered for rehire, if a suitable position is available. An employee who is rehired will be a new hire and the new hire date will apply for all eligibility requirements, except those otherwise regulated by law. Seniority and benefits cannot be reinstated. Rehires must complete all pre-employment requirements and be approved by Human Resources. An employee may be re-hired no more than one time without approval from Human Resources.

SAFETY

It is our policy to promote safety on the job. The health and well-being of our employees is foremost among our concerns. For this reason, we expect all of our employees to learn the safety rules for their departments and to follow common sense safety practices. Employees are also responsible for reporting any unsafe condition, defective tool, or equipment to their manager, and for helping us to maintain a safe and healthy workplace. Horseplay and practical jokes can cause accidents and injuries and therefore are not permitted.

Employees are not allowed in the service areas unless on Company business.

Safety is a state of mind and requires constant vigilance and common sense. Safety is everyone's responsibility.

SALES DEMO DRIVE

The following procedures should be followed during every sales demo drive:

- Obtain a copy of customer's driver's license and verify the photo ID and the information obtained through the sales process match
- Log the test drive using the client name, date, time, stock number and salesperson
- Ensure that a salesperson accompanies the client on the test drive
- Drive the vehicle on a pre-designated route
- Require salesperson to drive the vehicle off the lot and transfer control to the client in a well-lit, well populated and pre-designated area.
- Salesperson should always exit vehicle with KEYS IN HAND when transferring control
 of the vehicle
- Upon completion of the demonstration drive, the salesperson should always lock the vehicle with the keys to ensure that the key in hand is the key to the vehicle
- Return the keys to key tracking system
- Note the return of the vehicle on the Test Drive Log
- In the event that the vehicle will be released to the customer for an extended test drive, ensure proof of insurance and a bailment release are obtained from the customer, added to the items listed above and retained with the test drive log. The expected date and time that the vehicle is to be returned should be noted on the bailment agreement and signed by the client.
- Obtain management's approval prior to releasing the vehicle
- Wherever possible, retain possession of the client's vehicle while they are in possession of a company vehicle.
- Wear seatbelts at all times
- Do not use a cell phone while operating Company vehicles
- Don't ask intrusive personal questions during a test drive

SECURITY

Every employee is responsible for helping us to protect the property of their coworkers, our customers and this Company. Be sure that all vehicles, equipment, desks and gates are locked when not in use and especially at the end of the day. All tools and keys must be properly secured and accounted for at all times. Employees who see something or someone who looks suspicious, should notify their Department Manager immediately.

Technicians are responsible for ensuring the security of their own tools and equipment. Be sure to keep toolboxes locked when not present. The Company's insurance will not cover lost or stolen tools.

SLEEPING ON THE JOB

Everyone needs to be fully alert while on the job, in order to protect the safety of all employees

and to properly serve our customers. Therefore, we cannot tolerate sleeping or inattention on the job and violators may face disciplinary actions up to and including termination.

SMOKING, VAPING, TOBACCO USE, AND GUM CHEWING

Because smoking is considered to be a health hazard in the workplace, we prohibit all employees from smoking on our properties. We do not have "smoke breaks" however, every employee that works 8 hours is allowed two 15-minute breaks and a 1-hour lunch period. Those breaks may be used as smoke breaks if the employee deems fit. At all times, employees must not let smoking interfere with their work, and the customer's experience with our Company must not be negatively impacted because of tobacco use or poorly managed breaks. Smoking is never permitted in Company or customer vehicles. It is requested that all employees wash their hands after smoking. These rules also apply to vaping.

Smokeless tobacco products are never permitted in Company vehicles or buildings. Gum chewing is never permitted while dealing with customers.

SOLICITATION AND DISTRIBUTION

Our main job is to give our customers the best service possible in order to allow employees to give their undivided attention to their jobs and our customers. Therefore, the solicitation of an employee by another employee is prohibited during working time. In addition, the distribution of advertising materials, handbills, or other literature is prohibited during working time or any other time in any working area, including sales areas. Similarly, non-employees may not come on the Company's property, at any time, to solicit or distribute material or literature of any kind for any purpose.

"Working time" means time designated for performing actual job duties, either by the person soliciting or distributing the literature or the person being solicited or receiving the literature.

Examples of "solicitation" include, but are not limited to, solicitations for magazines or periodical subscriptions, political contributions, or membership in organizations. Other examples of "distribution" include, but are not limited to, distribution of political literature, subscription forms or informational bulletins.

Employees should immediately report to their supervisor any solicitation or distribution of literature in violation of this policy by non-employees.

SPEEDING

For obvious safety reasons, speeding or careless or reckless driving while operating any vehicle on the Company property, public streets, or any designated parking areas will not be tolerated and may be grounds for immediate termination of employment. The speed limit on company property is 10 mph unless conditions warrant a lower speed.

TAX WITHHOLDING

Employers are required by law to withhold certain taxes from employee's wages. These may include Social Security, Medicare, Federal Income, State Income, State Disability, or Local taxes. Employees are required to provide the appropriate tax withholding forms for their jurisdiction when they are hired and are encouraged to submit updated forms when there is a change in their tax filing status or if the employee wants more tax to be withheld.

Federal and State taxes will be based on the employee's tax withholding forms for most types of pay. However, some types of pay, other than the employee's regular pay, will be taxed at the IRS and State supplemental rates.

TECHNICIAN CHARGE BACKS AND COME BACKS

Technicians involved in customer repairs that result in return work (Come Backs) will not be compensated for the rework/repair of the come back if the return was a result of substandard work by the servicing technician.

If the come back is assigned to a different technician, the new technician will receive normal compensation. Additionally, no charge back of flagged hours/rate will be deducted from the original technician's pay and compensation as a result of the come back.

Repeated quality of work issues will be addressed through normal coaching and counseling sessions and may result in disciplinary action up to and including termination of employment.

TELEMARKETING POLICY

The Company has adopted rules for complying with the FCC telephone consumer protection act and the FTC telemarketing sales rules (Federal Do Not Call). All Company employees should familiarize themselves with these rules.

TERMINATION

We ask that employees who choose to resign from their position give at least two weeks written notice. We expect resigning employees to take care of all their outstanding matters with the Company prior to their last day worked. <u>The Manager may decide not to have employees work their two weeks' notice.</u>

Upon termination, employees are requested to return all Company property, including their copy of the Employee Handbook. Unless otherwise required by law, separating employees will be paid their regular compensation through the last day worked on the next regular semi-monthly payroll. Any prorated monthly commission or bonus due will be paid with the normal commission payroll following the month end close. All pay after the date of termination will be in the form of a live check. Separating employees should make arrangements with their manager to collect their final check(s).

THEFT AND DISHONESTY

We do not tolerate theft or dishonesty in any form. Failing to install all parts charged out on a repair order is considered theft. Taking a coworker's property without their knowledge and permission is considered theft. Reporting that you have performed service or other work which you have not performed is considered theft. Vehicles that we have taken in trade are the property of this Company, even if they are going to be wholesaled. Therefore, removing parts or equipment from any such vehicle is considered theft of Company property. Failing to return all customer lists when you leave the Company is considered theft. Employees involved in any form of theft are subject to termination, as well as criminal prosecution.

TIMEKEEPING

All employees, including commissioned, hourly, and flat rate employees of the Company, other than exempt employees, are required to keep an accurate record of their hours worked each day and each week.

Employees are required to punch in and out at lunch and any other time they leave the Company premises for personal business. Employees who leave the Company premises during the day, for lunch, or at the end of their shift are expected to notify their Manager. Every employee is encouraged to take at least a 30-minute lunch break during an 8-hour shift. Regardless of length of lunch break, the employee must clock out. Any other breaks or rest periods must be approved by the Department Manager and are not accounted for in timekeeping. Any changes or corrections to the employee's timecard or time record must be initialed by the employee and their manager. Under no circumstances may any employee punch another employee's time card. Any attempt to falsify time will result in disciplinary action.

TRANSFERS

Employees who have completed their introductory period may be eligible to be transferred to another store within the dealer group. Transfers will not be considered as new hires and, therefore, transferring employees retain their benefits. Transferring employees will undergo a motor vehicle record check and drug testing.

UNIONS

At our Company, it has never been necessary for a team member to join a union to get a job or keep a job. Our team members are able to speak directly to management about their compensation, benefits and working conditions without interference from outsiders. We are committed to the fair treatment of our team members with competitive pay practices and benefits. We feel that it is in the best interest of team members and management when we work together for growth and success.

USE OF COMPANY FACILITIES

Employees are not permitted to use any Company facilities to work on personal vehicles without the prior permission of the Service Manager. If you wish to work on your own vehicle or a family member's vehicle, you must have an open repair order and the Service Manager must be notified. All parts must be charged out on a parts ticket/repair order. For safety reasons, working on vehicles after normal work hours or working in the Company alone is prohibited.

VISITORS AND LIMITED ACCESS TO COMPANY PROPERTY

The Company has a limited access policy to preserve and maintain a safe and secure environment for our employees. This policy permits only authorized individuals to enter the Company's property.

Visits by friends or relatives can be disruptive to our operations and can present safety hazards. Therefore, such visits should be conducted away from work areas and during lunch/break periods.

Customers, vendors, suppliers, contractors and their employees are permitted access, but only as invited by authorized Company officials. All visitors must enter the Company premises through the main entrance. Unauthorized persons will not be permitted access to the

Company's property without the Company's prior approval. To promote security, all employees are encouraged to promptly report any unauthorized persons on the Company's property to their manager or Human Resources.

The Company's employees are authorized to enter and remain on the Company's property while on duty, on their lunch or other breaks, and during a period of 30 minutes before coming on duty and for 30 minutes after going off duty. At all other times, the Company's employees are not permitted to access the interior of the Company's premises or other work areas, and will be considered unauthorized persons unless they have the Company's prior approval or are performing official business for the Company.

WINDOW STICKERS AND FTC STICKERS

These stickers must be intact on all new, demo, or used cars at time of presentation and delivery. These stickers should not be removed except at the customer's request after sale. Additionally, state service and inspection stickers must be adhered to the vehicle by the employee completing the inspection as the service is rendered or provided.

WORK SCHEDULES

Employee work schedule will vary, depending upon department and duties. Any changes made to an employee's schedule must be approved by the manager. Please contact the manager with any questions about work schedules.

COMPANY BENEFITS

YOUR PAY

The Company pays all employees and managers on a semi-monthly basis, which pays on the 1st and the 15th of each month.

Employees who believe there is an error in their pay should bring the matter to the attention of their Manager or Human Resources immediately, so that the Company can investigate and resolve the matter quickly and amicably.

Paychecks are distributed to individual employees unless the employee authorizes, in writing, that another person has permission to accept the employee's paycheck(s).

DIRECT DEPOSIT

As we are moving all companies to Direct Deposit, you will be required to provide banking information in the future.

Some employees' pay plans may include a "guarantee" for a short period. This "guarantee" is not a guarantee of employment for the entire guarantee period. It is simply a guarantee of the amount you will be paid if you continue to be employed during the period. Payments will not continue after you leave the Company. A guarantee does not change any employee's status as an "at will" employee.

<u>DEDUCTIONS FROM PAY FOR EXEMPT EMPLOYEES</u>

Exempt salaried employees receive a salary that is intended to compensate for all hours worked for the Company. While an employee's salary may be subject to review and modification from time to time, such as during salary review times, the salary is a predetermined amount that is

not subject to deductions for variations in the quantity or quality of work.

Under applicable law, exempt salaried employees' salaries are subject to certain deductions, including:

- Full day absences for personal reasons;
- Full day absences for sickness or disability;
- Full day disciplinary suspensions for infractions of the Company's written policies and procedures;
- Family and Medical Leave absences (either full or partial day absences);
- To offset amounts received as payment for jury and witness fees or military pay; or
- The first or last week of employment in the event of less than a full week worked.

Exempt salaried employees' salaries are also subject to reduction for their portion of health, dental, or life insurance premiums; state, federal, or local taxes; social security; or voluntary contributions to a 401(k) or pension plan.

In any workweek in which exempt salaried employees perform any work, their salary is not subject to reduction for any of the following reasons:

- Partial day absences for personal reasons, sickness, or disability;
- Absence due to the Company's decision to close a facility on a scheduled work day;
- Absences for jury duty, attendance as a witness, or military leave in any week in which any work is performed; or
- · Any other deductions prohibited by law.

However, it is not an improper deduction to reduce exempt salaried employees' paid time off for full or partial day absences for personal reasons, sickness, or disability.

Employees who believe they have been subject to an improper deduction should report the matter to their supervisor immediately. If the supervisor is unavailable or is an inappropriate person to contact, or if a prompt and fully acceptable reply has not been received within five (5) business days, Human Resources should be contacted. Every report of improper deductions will be fully investigated and corrective action, up to and including discharge, will be taken, as appropriate, for any employee who violates this policy.

In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy may result in disciplinary action, up to and including discharge.

MEDICAL, DENTAL & VISION INSURANCE

Beck Automotive wishes to attract and retain the very best employees. Therefore, Beck Automotive stays very competitive with the market with regards to employee benefits, including medical, dental, vision, and other benefits. We have developed a benefits packet to explain all benefits available to our employees. This packet may be reviewed upon employment or as requested by potential candidates for employment.

CAFETERIA PLAN

We have adopted a cafeteria plan for Section 125 (Medical, Dental, Vision) and "flexible

spending account" which allows our employees to pay for certain benefits with pre-tax earnings. Your gross wages will be reduced by these deductions and therefore not subject to FICA, federal or certain state income taxes. Your gross wages for social security benefits will be reduced accordingly. Please be sure to consult the Summary Plan Description (SPD) for specific details.

SOCIAL SECURITY INSURANCE

Under the Federal Insurance Contributions Act, better known as the Social Security Act, the Company is required to deduct a percentage of your pay and match it with an equal amount from the Company. If you are not familiar with the retirement and disability benefits provided under Social Security, check with your

Payroll Department or your local Social Security office for a more complete explanation.

401(K) PLAN

The Company offers a 401(K) tax deferred pension retirement plan. It is available to both full-time and part-time employees after 90 days of employment. The full plan summary is available in the new hire benefits packet and on the intercompany website.

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)

The Company's group health plan provides continuation coverage as required by the Consolidated Omnibus Reconciliation Act of 1985 ("COBRA") for employees and for their covered dependents whose coverage would otherwise end due to a "qualifying event," such as if you, your spouse or your dependent children lose group health plan coverage due to termination of employment (other than for gross misconduct) or a reduction in work hours which makes you ineligible for the plan. Employees will receive additional information about COBRA following a "qualifying event." If you have any questions concerning your rights under COBRA, please contact your Benefits Administrator at 877 815 1730.

SCHOOL PARTICIPATION LEAVE

Eight hours of unpaid leave per year will be granted to any employee who is a parent or guardian of a school-aged child so that the employee may attend or otherwise be involved with that child's school activities. The employee may be required to provide at least forty-eight hours' notice of the need for leave, and the leave should be scheduled at a time mutually agreed upon by the employee and the employee's supervisor. The Company also may require verification from the school regarding the employee's involvement. "School" not only means public, private or church schools, but also pre-school and child daycare facilities.

BEREAVEMENT LEAVE

Full-time employees who have completed their introductory period are eligible to receive up to three (3) days of paid bereavement leave in the event they miss regularly scheduled workdays due to the death or funeral of a member of the employee's immediate family. Immediate family includes the employee's spouse, and the following family members of the employee and the employee's spouse: children/stepchildren, parents, grandparents, grandchildren, brother or sister, and any other relative residing in the employee's household.

Employees who are notified of a death in their immediate family while at work will be released for the remainder of their scheduled hours that day. Bereavement leave will not commence until the next regularly scheduled workday that is lost. All time off in connection with the death of an

immediate family member should be scheduled with the employee's manager. To document the absence, employees will be asked to provide the obituary notice or any other documents showing the date of death.

Compensation will be computed in the same manner as the PTO/Holiday formula for hourly, flat/piece rate techs, and commissioned employees. Salaried employees and employees paid on department profitability do not receive additional compensation.

FAMILY AND MEDICAL LEAVE ACT

A. <u>Introduction</u>

The Company will grant family and medical leave pursuant to the federal Family and Medical Leave Act ("FMLA") and/or any applicable state or local law at the time the leave is granted. No greater or lesser leave benefits will be granted than those set forth in the relevant laws.

Employees should contact their manager and Human Resources as soon as they become aware of the need for FMLA leave. The following is a summary of the relevant provisions of leave under the FMLA.

B. Who is Eligible for FMLA Leave?

An employee is eligible for FMLA leave if the employee has worked for the Company for at least 12 months, for at least 1,250 hours of service during the 12-month period immediately preceding commencement of the leave, and is employed at a worksite where 50 or more employees are employed by the Company within 75 miles of that worksite.

C. When is FMLA Leave Permitted?

An eligible employee may take up to a total of 12 workweeks of unpaid FMLA leave during a 12-month period for one or more of the following:

- 1) The birth of a son or daughter, and to care for the employee's newborn child;
- 2) The placement with the employee of a son or daughter for adoption or foster care;
- 3) To care for an employee's immediate family member (i.e., the spouse, child, parent of the employee) if such person has a serious health condition;
- 4) When a serious health condition makes the employee unable to perform the functions of the employee's job; and
- 5) Because of any qualifying exigency arising out of the fact that the spouse, son, daughter, or parent of the employee is a covered servicemember on covered active duty (or has been notified of an impending call or order to covered active duty) in the Armed Forces ("Qualifying Exigency Leave").

D. Restrictions on FMLA Leave

1) Birth of a Child. An employee cannot take leave for the birth, adoption, or

placement of a child if 12 months have passed since the birth, adoption, or placement of the child.

2) Spouses Working for the Company. Spouses who both work for the Company and who are both eligible for FMLA may be limited to a combined total of 12 weeks of leave during any 12-month period if the leave is taken for the birth, adoption, or foster placement of the employee's son or daughter, to care for the employee's parent with a serious health condition, or limited to a combined total of 26 weeks of leave during any single 12-month period for Military Caregiver Leave. This limitation applies even if the spouses are employed at different Company worksites.

E. Computation of the 12-Month Period

An eligible employee is entitled to 12 workweeks of FMLA leave in a rolling 12-month period, measured backward from the date an employee uses any leave under this policy.

An eligible employee may take up to 26 workweeks of Military Caregiver Leave, during a *single* 12-month period. This *single* 12-month period is measured forward from the date of the employee's first use of Military Caregiver Leave and ends 12 months after that date.

During the single 12-month period, the employee is entitled to a combined total of 26 workweeks of Military Caregiver Leave. FMLA Leave is limited to 12 workweeks, even if the employee takes less than 14 workweeks of Military Caregiver Leave.

F. Procedure for Requesting FMLA Leave

An eligible employee who needs to request FMLA leave must notify their immediate supervisor and Human Resources at least thirty days prior to the effective date of the leave. If, due to emergency or other unusual circumstances, thirty days' notice is not possible, then notice should be given as soon as practicable (generally within two working days of becoming aware of the need for FMLA leave).

When planning medical treatment, the employee must consult with the Company and make a reasonable effort to schedule the treatment so as not to disrupt unduly the Company's operations.

If the employee fails to give timely notice for FMLA leave or fails to comply with the Company's absenteeism notice and procedural requirements as required by the Employee Handbook, the employee's FMLA leave may be delayed or denied.

The employee must also advise Human Resources as soon as practicable (e.g., on the same day or the next business day) of any changes in the dates of the employee's FMLA leave.

G. <u>Certification Requirements</u>

Certification of Health Care Provider for a Serious Health Condition

When requesting FMLA leave based on the serious health condition of an employee or covered family member, the employee must give the Company a certification of health care provider that includes all the information required by the FMLA. The employee can obtain the necessary certification form from Human Resources.

1) Consequences if an Employee Fails to Obtain the Required Certification

The employee must give Human Resources a copy of the certification of health care provider within 15 calendar days after the Company's request. Failure to provide the certification may delay FMLA leave. Until approved, the leave is <u>not</u> an FMLA-qualifying leave and will be governed by the Company's other leave policies and the attendance policy. If the absences do not qualify as leave under the Company's other leave policies, the absences ordinarily will be treated as unexcused absences and may result in disciplinary action up to and including termination of employment.

2) Additional Medical Opinions

The Company may require that the employee obtain a second opinion from a health care provider designated or approved by the Company. If this second opinion differs from that provided by the employee's physician, the Company may require the opinion of a third health care provider, designated or approved jointly by the Company and the employee. The third opinion shall be final and binding. The Company will pay for any second or third opinion it requires.

Certification for Leave Taken because of a Qualifying Exigency

When requesting leave for a qualifying exigency, the employee must provide a certification that includes all the information requested by the FMLA and a copy of the covered military member's active duty orders or other documentation of a call to active duty status and dates of service. The Company may verify the basis for the qualifying exigency in accordance with the FMLA. The certification form can be obtained from Human Resources.

Certification for Military Caregiver Leave

When requesting Military Caregiver Leave, an employee must provide a certification completed by an authorized health care provider of the covered servicemember that includes all the information required by the FMLA.

A. Intermittent or Reduced Schedule Leave

An employee may not take FMLA leave on an intermittent or reduced schedule basis for the birth or placement of a healthy child without the approval of the supervisor and Human Resources. A pregnant employee may take leave intermittently for prenatal examinations or for her own condition, such as for periods of severe morning sickness.

An employee may take FMLA leave on an intermittent or a reduced schedule if medically necessary because of the employee's or family member's serious health condition, or to care for a covered servicemember with a serious injury or illness. Leave due to a qualifying exigency may also be taken on an intermittent or reduced leave schedule basis.

If an employee needs leave intermittently or on a reduced leave schedule for planned medical treatment, the employee must make a reasonable effort to schedule the treatment so as not to unduly disrupt the Company's operations.

B. What Relationship Does FMLA Leave Have to Paid Leave?

The Company requires that the employee substitute any unused, accrued paid vacation, personal, or family leave for FMLA leave taken for the birth or adoption of a child as well as to care for a family member with a serious health condition. The Company also requires that the employee substitute unused PTO for FMLA leave taken because of the serious health condition of the employee or a family member.

Workers' Compensation Injury and Substitution of Paid Time Off

If the employee is injured on the job and the injury qualifies as a serious health condition under the FMLA, the Company requires that the time off for the workers' compensation injury be counted against the employee's FMLA leave entitlement.

The Effect of the Employee's Use of the Company's Short-Term Disability Plan While the Employee is on the FMLA Leave

If the employee is eligible for and is using the Company's short-term disability plan for a serious health condition, the Company will count the time off taken under the disability plan against the employee's FMLA entitlement.

C. Accrual of Benefits While on FMLA Leave

The employee will not accrue seniority or employment benefits while on FMLA leave. Accrual of any seniority or benefits will resume upon return to active employment. The taking of FMLA leave will not result in the loss of any employment benefits that the employee accrued prior to the date on which FMLA leave started.

D. Benefits While on FMLA Leave

The Company will continue to maintain the employee's coverage under any group health plan while the employee is on FMLA leave on the same conditions as coverage would have been provided if the employee had been actively working. The employee must pay his or her portion of the premium while on FMLA leave. An employee who fails to pay the required premium risks losing health insurance coverage.

An employee failing to return to work at the end of the FMLA leave period is responsible for repaying any health insurance premiums paid on the employee's behalf during FMLA leave unless the employee does not return to work because of the continuation, recurrence, or onset of a serious health condition that would entitle the employee to FMLA leave, or other circumstances beyond the employee's control.

E. Returning From FMLA Leave

When the employee returns from FMLA leave, the employee will be restored to the position held when FMLA leave started, or to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. An employee has no greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during FMLA leave.

Restoration may be denied to a "key" employee if restoration would result in grievous economic injury to the Company. A "key" employee is one who is among the highest paid ten percent of

all employees employed within 75 miles of the employee's worksite.

Employees returning to work must present a fitness for duty certification demonstrating that they are fit to return to work. Failure to provide the certification may result in termination.

F. What Happens If the Employee Fails to Return to Work From FMLA Leave?

Failure to return to active employment at the end of the FMLA leave period will be regarded as abandonment of the employee's job, absent authorization to take additional leave under the Company's other leave policies, if applicable, or as otherwise required by state or federal law.

An employee on FMLA or any other type of leave may not work at another job during the duration of the leave, unless such employment is not inconsistent with the employee's FMLA leave and authorized by the Company.

G. Administration of the Policy

The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between the policy and the applicable law, employees will be afforded all rights required by law. This policy does not supersede any state or local law which provides greater family or medical leave rights. The Company will also administer this policy in a uniform, non-discriminatory fashion in accordance with all applicable laws, including but not limited to, the Americans with Disabilities Act. The Company will not interfere with, restrain, or deny the exercise of any right provided under the FMLA, or discriminate or retaliate against any person for requesting or taking FMLA leave.

<u>Military Caregiver Leave</u>: An eligible employee may take unpaid leave for up to a total of 26 workweeks in a single 12-month period to care for a covered servicemember with a serious injury or illness, if the employee is the spouse, son, daughter, parent, or next of kin of the servicemember.

PERSONAL LEAVE OF ABSENCE

The Company realizes that circumstances may arise where an employee may need to request a personal leave of absence. All requests must be made in writing and submitted for approval by the General Manager and Human Resources. The reason for the leave and business conditions will be taken into consideration. At no time will an employee be allowed to take a personal leave for personal gain. The employee will remain responsible for the employee cost of their medical benefits during the leave. The request for leave cannot exceed 30 days.

MILITARY LEAVE

Employees who are called into active military service or who enlist in the uniformed services are eligible to receive an unpaid military leave of absence in accordance with applicable federal and state laws. To be eligible for military leave, employees must provide Human Resources with advance notice of their service obligations, unless they are prevented from providing such notice due to military necessity or it is otherwise impossible or unreasonable to provide such notice.

Employees who are required to attend yearly Reserves or National Guard duty may request an

unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). Such employees should give Human Resources as much advance notice of their need for military leave as possible so that the Company can maintain proper coverage.

Employees whose absence does not exceed applicable statutory limitations will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should contact Human Resources with questions regarding this policy.

BREAK TIME FOR NURSING MOTHERS

The Company will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child, to the extent required by and in accordance with applicable law. If possible, the break time must run concurrently with rest and meal periods already provided to the employee. Break time that cannot run concurrently with rest and meal periods already provided to the employee is unpaid.

The Company will make reasonable efforts to provide an employee with use of a room or location other than a toilet stall to express milk in private. The Company may not be able to provide additional break time if doing so would seriously disrupt the Company's operations. Employees should contact Human Resources with questions regarding this policy.

GENETIC INFORMATION

The Company will not ask employees to provide any genetic information when responding to any request for medical information and the Company requests that employees do not provide any genetic information in response to a request for medical information. "Genetic information" includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

WORKER'S COMPENSATION

The Company provides worker's compensation benefits to any full-time or part-time employee who is injured on the job in accordance with applicable law. Generally, this will cover medical bills for authorized healthcare providers listed on our bulletin boards. If an injured employee is off work for an extended period, it may also pay a portion of lost wages. The Company pays the entire cost of this benefit.

While we want every injured employee to receive all the benefits to which he or she is entitled, we do monitor all worker's compensation claims to ensure that they are legitimate. Filing a false claim or reporting an injury as having occurred on the job when it did not is considered fraud and will be dealt with as such.

HOLIDAY PAY

The Company observes the following holidays:

New Year's Day Memorial Day Fourth of July Labor Day Thanksgiving Day Christmas Day

Employees are eligible for holiday pay after completing 90 days of employment. Non-essential employees may receive the day off work when the holiday falls on a normal workday. To better serve our retail customers, our sales and service employees will operate under their normal Monday through Saturday work schedule during all holidays except for Thanksgiving Day and Christmas Day, unless otherwise posted.

To be eligible for holiday pay, the employee must work the employee's last scheduled day before the holiday and the first scheduled day after the holiday. An exception may be made if the employee is absent due to a pre-scheduled vacation, or if the employee presents a note from a physician that confirms that the employee was ill on the day in question. Except as otherwise required by law, employees out on Leave of Absence or FMLA Leave are not entitled to holiday pay.

- o Sales: Sales Advisors, Internet Sales, Sales Product Specialists, or any other employee paid on 100% commission will be paid \$100 for Thanksgiving Day and Christmas Day. BDC and other hourly employees will be paid 8 hours x their regular hourly rate.
- o Flat Rate Techs: 8 hours x CP flat rate
- o Body Shop Painters & Techs: 8 hours x CP flat rate.
- o Service & Body Shop Support Flat/Piece Rate Personnel: \$100 day
- o Hourly Employees: F/T Employees 8 hours x hourly rate; employees who work less than 40 hours (but at least 30 hours) will be paid the average weekly hours divided by 5.
- o Employees who receive a salary do not receive holiday pay. F&I Managers do not receive holiday pay.
- o Holiday pay for eligible hourly, technical, and commissioned employees will be paid on the payroll following the holiday regardless of whether or not they work on the holiday. If the employee works on a holiday, the employee will be paid for hours worked on the holiday and may take another day off in lieu without additional compensation. Timing of payment will be based on the hourly pay period; that is, both hourly and employees with a draw will be paid on the same payroll for any holiday that occurred before the cutoff date for hourly employees.

PAID TIME OFF (PTO)

PAID TIME OFF (PTO):

PAID TIME OFF is a program that combines vacation time, sick time and personal time under one "time off umbrella" called Paid Time off or PTO. PTO is given to employees so that they are better able to perform their jobs when they return, therefore, pay will not be given in lieu of time off. Any unused PTO is forfeited at year end and upon separation, whether voluntary or involuntary.

Full-time employees are eligible for PTO. PTO entitlement is earned from the beginning of the month following 90 days of continuous employment and may be taken any time during the following year. PTO is earned at the rate of 4 hours per month, therefore a person starting in January, will have earned 40 hours PTO by December for the following year, while a person starting in August will have earned 8 hours.

After the first year, PTO is reset each January 1st, according to the following schedule. A person who has been for 1 to 2 years will receive one week's PTO. A person who has been employed from 3 years to 9 years receives two week's PTO and a person who has been here ten years or longer will receive three week's PTO. There is no "carry over," employees must use their PTO in the year that it is received.

PTO should be scheduled and approved by the employee's supervisor in advance. The Company has the right to refuse an employee's request for PTO if, in the Company's sole judgment, scheduling the PTO at the time sought would conflict with the operation of the Company's business.

Employees earn PTO days according to the following schedule. The PTO award is based on the date of hire or the most recent date of rehire.

The Chart below is based on a 40 hour a week employee

	JAN 1ST AFTER DATE									
HIRE DATE	OF HIRE	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
JANUARY	40	40	80	80	80	80	80	80	80	120
FEBRUARY	36	40	80	80	80	80	80	80	80	120
MARCH	32	40	80	80	80	80	80	80	80	120
APRIL	28	40	80	80	80	80	80	80	80	120
MAY	24	40	80	80	80	80	80	80	80	120
JUNE	20	40	80	80	80	80	80	80	80	120
JULY	16	40	80	80	80	80	80	80	80	120
AUGUST	8	40	80	80	80	80	80	80	80	120
SEPTEMBER	4	40	80	80	80	80	80	80	80	120
OCTOBER	0	40	80	80	80	80	80	80	80	120
NOVEMBER	0	40	80	80	80	80	80	80	80	120
DECEMBER	0	40	80	80	80	80	80	80	80	120

USE OF PAID TIME OFF

Hourly employees who are absent from work for a full day will be required to use PTO. Should an employee report to work and become ill or have to leave work for an appointment, the employee will **not** be required to use a partial day of PTO but if the employee wants to be paid for the time away from work, the employee may request use of one half day if the absence exceeds four hours.

All employees out of work due to a leave of absence for the employee or an immediate family member will be required to use accrued PTO concurrent with the leave of absence. Employees on medical leave for an injury on the job will not be required to use PTO but may elect to do so.

PAY FOR PTO

Hourly Employees:

For each day of PTO, full-time employees will be paid their hourly rate for 8 hours. Employees whose regular weekly schedule is less than 40 hours (but at least 30 hours) will be paid the regular weekly hours divided by 5 for each day of PTO. Employees who work a 4-day week will be paid their regular weekly hours divided by 4 for each day of PTO.

Salaried Employees:

Salaried employees will receive their regular compensation for PTO days.

Technical and Commissioned Employees:

Commissioned employees will be paid a flat amount until they have worked a full calendar year. Thereafter, full-time commissioned employees will be paid their average daily wage based on 2080 hours per year at 8 hours per day, according to the following schedule:

- o Parts persons paid on individual productivity: prior calendar year average
- Sales Associates: prior calendar year average
- Skilled Technicians: prior calendar year average
- o Body Shop Painters & Technicians: prior calendar year average
- Service & Body Shop Semi-skilled Techs & Helpers: prior year average
- Commissioned employees paid on department profitability will receive their regular earnings based on their pay plan

EMPLOYEE DISCOUNTS

Employee pricing is offered to the employee, spouse or partner, children, siblings, mother, father, and mother-in-law and father-in-law. All other family members not listed above are eligible for the Family and Friends discount which will be published annually.

SERVICE LABOR

The Company provides repair work on employee vehicles at \$50 per labor hour. No vehicle is to be worked on in the service department or detail shop unless the manager of the department authorizes a repair order. The vehicle must have the proper routing and tag number. Repair work must be paid in full at time of service. No payroll deduction allowed.

PARTS

Employees may purchase parts at ten percent (10%) over cost.

NEW VEHICLES

Employees will be able to purchase a vehicle at \$100 over net cost. A processing or administrative (DOC) fee will be charged but a discount will be taken off the sales price to offset the fee. If an eligible manufacturer program is available, the employee may choose whichever is less.

Note: There will be restrictions on certain new vehicle models based on availability

USED VEHICLES

Any used vehicle sold up to and including the 30th day in inventory will not be discounted.

Any used vehicle will be \$500 over net cost for the first 31-45 days in inventory. Any vehicle over 45 days will be discounted \$200 over net cost.

The employee will be responsible to pay the cost of the used vehicle purchase and advertising fees and for a warranty when applicable.

PURCHASE GUIDELINES

- Employees may each purchase up to two (2) vehicles per year at a discount. The General Manager should be contacted at each dealership to validate pricing.
- New vehicles on the "Exception List" are not eligible for special pricing. (See Beck intranet for Exception List or GM at dealership). Some vehicles may be eligible based on ordering a vehicle vs. from stock.
- Other than certified vehicles, all used vehicles purchased are AS IS.
- Financing for an employee, if desired, will be obtained from a primary lender at the Company buy rate. In some instances, the employee or family member may be required to obtain their own financing.

EMPLOYEE REFERRAL PROGRAM

We are always seeking excellent candidates to join our organization and grow with us. We encourage our employees to refer qualified individuals to us for consideration. The following referral bonus will be paid for eligible referrals.

- Bonus level based on position of recruit
- \$500 for Skilled Technicians & Management positions
- \$250 for Sales and others
- Payout as follows:
- Total \$500 (half these amounts for \$250 payout)
- \$100 at 30 days
- \$100 at 90 days
- \$100 at 180 days
- \$200 at 360 days
- A one-time bump to the Referral bonus could be given when targeting a specific type of employee (e.g. technicians)

- o **All Managers are excluded** from the Employee Referral Program
- Employee Referral form should be presented to Recruiter/Department Manager prior to application by prospective hire but this is NOT required if the new hire identified the Employee on the application.
- Employee referral payments will be managed by Payroll.

The bonus check will be issued the month following the completion of the required number of days by the referred employee. The referral bonus will be paid through Payroll.

If the same candidate is referred by 2 or more employees, the employee whose referral is first received will be eligible for the bonus.

Referrals of part-time employees will be paid on a pro-rated amount applicable to the percentage of hours worked as it compares to a 40-hour week. Temporary employees and consultants who are not on Beck payroll are ineligible. An employment or temporary agency may not be involved.

The employee making the referral must be on payroll when the referred candidate completes their required days of employment to be eligible for the award. No referral bonuses will be paid for re-hires.

Employees should not make promises or commitments which the Company may not be able to honor, such as interview invitations or offers of employment. Human Resources will determine whether an employee qualifies to receive a bonus.

CUSTOMER REFERRAL PROGRAM

The sale of vehicles provides all of us with our employment, and to help our employees share in the success of the Company, we pay employees a bonus upon referring a customer to the sales department.

To qualify for the bonus, submit the name of a prospective customer to the New Vehicle or Used Vehicle Sales Manager in writing before the customer signs a contract. The prospect will be contacted by one of our sales consultants. Should the prospective customer purchase a vehicle, the Company will pay the referring employee a bonus of \$100 for each new or used vehicle sold. The name submitted must be that of a bona fide prospective customer (such as a personal friend or relative), who otherwise would not have been dealing with one of our sales consultants. Only one bonus will be paid per customer.

TRAINING AND TUITION REIMBURSEMENT

At times, our employees are required to attend special training programs supported by the Company, as well as other industry-related schools. These special training programs are designed to upgrade our employees' performance and to help them understand the new and improved products and methods of servicing and selling these products.

Should employees attend any of these programs authorized and required by their Department Manager, the Company will pay for all tuition fees, and reasonable costs for transportation, lodging and meals. Reimbursement will be made upon presentation of receipts. We will also provide compensation for each day of training at eight hours per day at the regular hourly rate for hourly paid personnel and at the flat-rate amount for flat-rate technicians. Body shop helpers will receive a fixed hourly rate. Parts and service employees paid 100% commission will be paid

a fixed amount for each full day of training.

Universal Technical Institute is our school of choice for recruiting technicians new to the automotive industry. As such, it is our policy to reimburse up to 24 months of student loans for recent UTI technician/graduates that are employed with us. The technician must be actively employed for tuition reimbursement to continue and will be treated as normal income for tax purposes.



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