

Corwin

Automotive
Group

Employee Handbook

EMPLOYEE HANDBOOK

TABLE OF CONTENTS

Welcome Letter From President Tim Corwin 5

History of Corwin Automotive Group..... 6

Statement of Purpose 7

Purposes of This Employee Handbook..... 7

Personnel Policies 7

 Equal Employment Opportunity 7

 Disability Accommodation 8

 Religious Accommodation..... 8

 Introductory Period 9

 Employee Classification 9

 Attendance 9

 Sexual and Other Types of Harassment..... 10

 Disciplinary Measures 11

 Specific Rules and Regulations 12

 Time Keeping Procedures..... 12

 Pay Periods..... 13

 Paycheck Deductions 13

 Work Schedule..... 13

 Civic Duties 14

 Termination of Employment..... 14

 Problem Resolution Procedure 14

 Conflict of Interest 15

 Confidentiality and Nondisclosure 15

Employee Benefits 16

 Vacation 16

 Holiday..... 16

 Personal Days..... 16

 Maternity Leave 16

 Health/Dental Insurance..... 17

 Retirement Plan..... 17

 Service Discounts..... 17

 New Vehicle Purchase 17

 Used Vehicle Purchase 17

 Workers Compensation..... 17

 Unemployment Insurance 18

 Social Security 18

 Consolidated Omnibus Budget Reconciliation Act (Cobra)..... 18

 Unpaid Medical and Family Leave of Absence..... 18

Military Leave of Absence.....	19
General Policies	19
Parking	19
Accident	19
Work On Personal Cars	19
Smoking	20
Appearance	20
Uniforms	20
Telephones	20
Internet Usage	20
Demonstrators	20
Solicitation	20
Statement on General Conduct	20
United Way	21
Cash Reporting Policy	21
Safety	21
Substance Abuse Policy Statement.....	22
Summary	24
Appendices.....	24
Idaho Employees.....	26
Policy Against Workplace Harassment	26
Missouri Employees.....	27
Policy Against Workplace Harassment	27
Montana Employees.....	28
Nature of Employment Relationship	28
Pay Periods.....	28
Policy Against Workplace Harassment	28
Crime Victim Leave Policy	28
Jury Duty Leave Policy.....	29
Maternity Leave Policy.....	29
Vacation	30
Nebraska Employees.....	31
Family Military Leave	31
Jury Duty.....	31
Policy Against Workplace Harassment	32
Paid Time Off Policy	32
Voting Leave.....	32
North Dakota Employees.....	33
Paid Time Off Policy	33
Policy Against Workplace Harassment	33
Witness Leave.....	33

Washington State Employees	34
Accommodations for Victims of Domestic Violence, Sexual Assault, or Stalking	34
Meal and Rest Periods	34
Military Family Leave	35
Leave for Victims of Domestic Violence, Sexual Assault, or Stalking.....	35
Policy Against Workplace Harassment	36
Paid Time off Policy	37
Family Leave	39

WELCOME LETTER FROM PRESIDENT TIM CORWIN

Welcome to the Corwin Automotive Group employee family! We realize that our employees are our greatest asset, and we will work with you to provide a fulfilling, safe, and productive environment.

This handbook was prepared to assist you in learning the rules and Procedures which have been developed to benefit both you and the company. However, the company does not use employment contracts or agreements, and this handbook is not an employment contract: both you and the company have the right to terminate the employment arrangement at any time.

Of course, the rules and policies will change from time to time. Please be aware of memoranda you may receive which update this handbook.

You signed a receipt for this handbook when you received it, indicating that you are responsible for reading it and abiding by it, and also responsible for its return should you leave the company.

Again, welcome to the family, and I encourage you to discuss with your supervisor any comments or questions you may have about this handbook.

Tim Corwin
President

HISTORY OF CORWIN AUTOMOTIVE GROUP

The Corwin family entered the automobile business in 1914, when Samuel Wickham Corwin established a dealership in Bismarck, ND. The business expanded to Fargo, ND in 1937 with the acquisition of Murphy Motors. The name was changed to Corwin-Churchill Motor Co. and it was located on NP Avenue in Fargo.

Under the leadership of Wick Corwin's sons, Bill and Charlie, the company expanded and relocated in 1975 to its' current location on the I-29 frontage road, Fargo, ND. The dealership name was changed to Corwin Chrysler-Plymouth, Inc.

The company's president, Tim Corwin, entered the business in 1975 as a salesman. He later served as Sales Manager and General Manager of Corwin Chrysler-Plymouth, Inc. In 1980, Tim Corwin Buick, Inc. was established, and in 1981 Tim Corwin acquired full ownership of Corwin Chrysler-Plymouth, Inc.

Other significant dates include:

1. 1985 Toyota franchise acquired
2. 1985-86 major expansion of Tim Corwin Buick
3. 1985 Corwin Collision Center established. Fargo, ND.
4. 1985 Corwin Car Care Center established. Fargo, ND.
5. 1986 Corwin Dodge, Inc. acquired. Fargo, ND
6. 1991 merger of Corwin Dodge, Inc. with Corwin Chrysler-Plymouth, Inc.
7. 1994 Corwin Eisinger Motors, Kalispell, MT acquired
8. 1996 Corwin Wilson Management LLP established
9. 2001 Corwin Honda acquired. Fargo, ND
10. 2001 Corwin Toyota established as a standalone Toyota Franchise. Fargo, ND
11. 2005 Eisinger Honda, Kalispell, MT, acquired
12. 2012 Corwin Dodge of Springfield acquired. Springfield, MO
13. 2013 Corwin Ford of Nampa acquired. Nampa, ID
14. 2015 Corwin Public Wholesale established. Fargo, ND
15. 2015 Corwin Toyota of Bellevue acquired. Bellevue, NE
16. 2015 Corwin Ford Tri-Cities acquired. Pasco, WA
17. 2017 Corwin Ford of Springfield acquired. Springfield, MO
18. 2019 Eisinger Motors and Eisinger Honda names changed to Corwin Honda Kalispell and Corwin Motors Kalispell

STATEMENT OF PURPOSE

The goals of the Corwin Automotive Group, in order, are:

1. To provide our customers with the finest products and services available. Customer satisfaction is our primary goal, and is to be achieved by placing the customer needs first and exceeding customer expectations.
2. To provide our employees with an environment this will stimulate personal and professional growth. Every employee of the organization is critical to our continued success, and our employment and development practices recognize this.
3. To provide an adequate return on investment to the company, this will provide an opportunity for each employee to earn an above average salary for his or her position.

PURPOSES OF THIS EMPLOYEE HANDBOOK

The contents of this employee handbook are intended as guidelines for employees and supervisors, and consequently may be amended from time to time by the company and/or varied from depending upon particular circumstances of a given situation. It is expressly understood that the contents of this handbook do not constitute the terms of a contract of employment.

Nothing contained herein shall be construed as a guarantee of employment by the company, but rather employment by the company is on an “at-will” basis, meaning that the employment relationship may be terminated at any time by either the employee or the company, for any reason not expressly prohibited by law. No representative of the company has authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the foregoing at-will relationship.

Note that any of the policies in this handbook may differ depending on location. Please refer to state-specific information at the end of this handbook for policies specific to your location.

PERSONNEL POLICIES

EQUAL EMPLOYMENT OPPORTUNITY

We are committed to providing equal opportunity in all of our employment practices, including selection, hiring, promotion, transfer, and compensation, to all qualified applicants and employees without regard to race, religion, color, sex, age, national origin, ancestry, citizenship status, marital status, handicap, disability or any other protected status in accordance with the requirements of all federal, state and local laws.

Specifically, it is the policy of Corwin Automotive Group to:

- Carefully select and hire the best-qualified persons;
- Promote from within the organization when possible;

- Provide fair wages and benefits;
- Provide safe working conditions;
- Provide a channel of communication between the company and its employees;
- Impose discipline fairly and impartially if required.

DISABILITY ACCOMMODATION

Corwin Automotive Group complies with the Americans with Disabilities Act (ADA), the Pregnancy Discrimination Act, and all applicable state and local fair employment practices laws, and is committed to providing equal employment opportunities to qualified individuals with disabilities, including disabilities related to pregnancy, childbirth, and related conditions. Consistent with this commitment, the company will provide reasonable accommodation to otherwise qualified individuals where appropriate to allow the individual to perform the essential functions of the job, unless doing so would create an undue hardship on the business.

If you require an accommodation because of your disability, it is your responsibility to notify your Manager. You may be asked to include relevant information such as:

- A description of the proposed accommodation.
- The reason you need an accommodation.
- How the accommodation will help you perform the essential functions of your job.

After receiving your request, the company will engage in an interactive dialogue with you to determine the precise limitations of your disability and explore potential reasonable accommodations that could overcome those limitations. Where appropriate, we may need your permission to obtain additional information from your medical provider. All medical information received by the company in connection with a request for accommodation will be treated as confidential.

The company encourages you to suggest specific reasonable accommodations that you believe would allow you to perform your job. However, the company is not required to make the specific accommodation requested by you and may provide an alternative accommodation, to the extent any reasonable accommodation can be made without imposing an undue hardship on the company.

If leave is provided as a reasonable accommodation, such leave may run concurrently with leave under the federal Family and Medical Leave Act and/or any other leave where permitted by state and federal law.

The company will not discriminate or retaliate against employees for requesting an accommodation.

RELIGIOUS ACCOMMODATION

Corwin Automotive Group is dedicated to treating its employees equally and with respect and recognizes the diversity of their religious beliefs. All employees may request an accommodation

when their religious beliefs cause a deviation from the Company dress code or the individual's schedule, basic job duties, or other aspects of employment. The Company will consider the request, but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that will be considered are cost, the effect that an accommodation will have on current established policies, and the burden on operations — including other employees — when determining a reasonable accommodation. At no time will the Company question the validity of a person's belief.

If you require a religious accommodation, speak with your Manager or a member of the Human Resources department.

INTRODUCTORY PERIOD

For every new employee, the first ninety days of full-time employment is a trial period for both you and Corwin Automotive Group. During this time, you are able to learn about the dealership, your job, and your new surroundings. At the same time, your supervisor will assist you in learning your job.

During this first ninety days, your job performance, attendance, attitude and overall interest in your job will be carefully reviewed by your supervisor. The dealership will then evaluate your performance and make a decision concerning your continued employment. During this period, you will not be eligible for any dealership benefits, such as holiday pay, vacation pay, or insurance coverage. Completion of the introductory period does not change or alter the “at-will” employment relationship. You continue to have the right to terminate your employment at any time, with or without cause or notice, and the dealership has a similar right.

EMPLOYEE CLASSIFICATION

Full-Time Employees

Full-time employees are employees who are normally scheduled to work 40 hours per week. Full-time employees are eligible for all of the benefits set forth in the following pages.

Part-Time Employees

Part-time employees are employees who are normally scheduled to work fewer than 40 hours per week. Part-time employees are not eligible for benefits. However, part-time status will adhere to State/Federal guidelines pertaining to employees averaging more than 30/hour week.

If you have any questions concerning your employee classification or the benefits for which you qualify, please consult the Personnel Manager.

ATTENDANCE

Normal working hours will be explained by your supervisor, and you are expected to be present and ready to work during this time. If you are absent or tardy, you must notify your supervisor by the start of your shift. You may not leave a message with a receptionist or other employee unless your supervisor is unavailable.

If you must leave the dealership during working hours, you must notify your supervisor before leaving.

Habitual tardiness or absence puts a strain on your fellow employees. For this reason, your supervisor will counsel you if a problem develops, and if it is not resolved, disciplinary action will be taken.

From time to time, you may be asked to work overtime. The company will give you all available notice, and when practical, will ask for volunteers. However, you are required to work overtime if directed by your supervisor. In no case will you be paid for any overtime worked unless specifically directed by your supervisor.

SEXUAL AND OTHER TYPES OF HARASSMENT

The company has a zero tolerance for any type of harassment of its employees. Violation of this policy by any employee will subject him or her to immediate discipline, even to the extent of discharge. Harassment of any kind in the workplace is against the law.

In practical terms, there are two kinds of sexual harassment:

1. *Quid Pro Quo*: Where employment decisions or expectations (hiring decisions, promotions, salary increases, shift or work assignments, performance expectations) are based on an employee's willingness to grant or deny sexual favors. Examples of Quid Pro Quo are:

- Demanding sexual favors in exchange for a promotion or a raise.
- Disciplining or firing a subordinate who ends a romantic relationship.
- Changing job performance expectations after a subordinate refuses requests for a date.

2. *Hostile Environment*: Where verbal or nonverbal behavior in the workplace:

- Focuses on the sexuality of another person or occurs because of the person's gender.
- Is unwanted or unwelcome.
- Is severe or pervasive enough to affect the person's work environment.

Examples of behaviors that can create a hostile environment if they are unwanted or uninvited:

- Off-color jokes or teasing
- Comments about body parts or sex life
- Leering, stare or gestures
- Suggestive pictures, posters, calendars or cartoons
- Repeated requests for dates
- Excessive attention in the form of love letters, telephone calls or gifts
- Touching-brushes, pats, hugs, shoulder rubs, or pinches
- Assault/Rape

Other workplace harassment is verbal or physical conduct that insults or shows hostility or aversion toward an individual because related to any other status protected by federal, state, or local laws.

Other types of behavior that may be considered harassment include (but are not limited to) a single incident or a pattern of behavior which entails verbal, physical, or psychological harassment/abuse of any nature.

STEPS TO TAKE IF YOU ARE HARASSED SEXUALLY OR OTHER

If you feel that you have witnessed or have been subjected to any form of discrimination or harassment:

1. Remain cool and professional. Avoid being overly-dramatic.
2. The Company has assigned two individuals per Dealership for employees to report any incidents. The employee should report any incidents or concerns to the General Manager or Dan Wilson.

Under no circumstances will an employee be retaliated against for complaining of the harassment; and be assured that complaints will be taken seriously and will be investigated. This company is committed to providing all of its employees with a workplace that is free of harassment of any kind.

We will promptly and thoroughly investigate any claim and take appropriate action where we find a claim has merit. To the extent possible, we will retain the confidentiality of those who report suspected or alleged violations of the harassment policy.

Discipline for violation of this policy may include, but is not limited to, reprimand, suspension, demotion, transfer, and discharge. If the Dealership determines that harassment or discrimination occurred, corrective action will be taken to effectively end the harassment. As necessary, the Dealership may monitor any incident of harassment or discrimination to assure the inappropriate behavior has stopped. In all cases, the Dealership will follow up as necessary to ensure that no individual is retaliated against for making a complaint or cooperating with an investigation.

DISCIPLINARY MEASURES

It is the company's policy to use disciplinary measures only as a last resort to correct problems of employees conduct. The type of discipline imposed will be dependent upon the seriousness of the problem and the number of warnings already issued.

Verbal Warning:

A verbal warning is generally used to inform employees of minor rule violations on the first offense; it serves to remind employees of specific rules, policies, and procedures. A verbal warning might be issued for violation of the company's telephone, dress, or smoking policy.

Written Warning:

A written warning is a formal step in the company's disciplinary process, and becomes a part of the employee's personnel record. The employee will be asked to sign a copy of the warning showing that he/she has received it. Repetition of an offense for which a written warning has been received is grounds for discharge. A written warning might be issued for violation of the company's attendance policy, for insubordination, or for refusing to correct a problem for which a verbal warning has been received.

Discharge:

An employee may be discharged without prior warning for major violation of company rules. The section of the handbook entitled "Specific Rules and Regulations" provides more information in this area.

SPECIFIC RULES AND REGULATIONS

It is impossible to list all the rules and polices we expect our employees to follow. Most of them are merely common sense. The following examples are of such a serious nature that they bear special emphasis, and violation may result in immediate disciplinary action.

- Destruction/removal of company property
- Substandard work performance
- Negligence in performing duties
- Falsification of company records (including time records and Employment application.)
- Unreported or excessive absenteeism/tardiness
- Insubordination
- Possession of alcohol or drugs or being under the influence while on duty
- Possession of weapons or firearms while on duty
- Sleeping on duty
- Fighting or horseplay on company premises
- Unauthorized use of company vehicles
- Gambling on company premises
- Use of obscene or abusive language on company premises
- Disclosing confidential company information
- Theft
- Employee harassment

TIME KEEPING PROCEDURES

Unless otherwise notified, each employee is required to record his or her hours of work with the process in place for the specific Dealership assigned to. Accurately recording all of your time is required in order to be sure that you are paid for all hours worked as required by the wage and hour laws. You will be informed your first day on the job whether you are required to keep your time by a time clock, a time sheet or some other method. Whatever your method of time keeping, you are expected to follow the established procedures in keeping an accurate record of your hours

worked. Failure to accurately record your time may result in discipline, up to and including termination.

Any changes or corrections to your time card or time record must be initialed by you and your department manager. **UNDER NO CIRCUMSTANCES MAY ANY EMPLOYEE PUNCH ANOTHER EMPLOYEE'S TIME CARD.**

PAY PERIODS

Your manager will advise you of the designated paydays. At Corwin Automotive Group, the standard pay period is semimonthly for all employees. Unless otherwise noted, pay dates are three working days after the 15th of the month and three working days after the last day of the month. If a pay date falls on a weekend or holiday, paychecks will be issued on the following business day. Special provisions may be required from time to time if holidays fall on pay dates. Check with your Manager if this type of date arises.

If you are paid by commission, refer to your commission agreement.

Review your paycheck for accuracy. If you find an issue, report it to your Manager immediately.

PAYCHECK DEDUCTIONS

Corwin Automotive Group is required by law to make certain deductions from your pay each pay period. This may include income and unemployment taxes, Federal Insurance Contributions Act (FICA) contributions (Social Security and Medicare), and any other deductions required under law or by court order for wage garnishments. The amount of your tax deductions will depend on your earnings and the number of exemptions you list on your federal Form W-4 and applicable state withholding form. You may also authorize voluntary deductions from your paycheck, including contributions for insurance premiums, retirement plans, spending accounts, or other services. Your deductions will be reflected in your wage statement.

The Company will not make deductions to your pay that are prohibited by federal, state, or local law. If you have any questions about deductions from your pay, contact your Manager. You will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law. If an error is found, you will receive an immediate adjustment, which will be paid no later than your next regular payday.

WORK SCHEDULE

The schedule of hours you work will be furnished to you by your manager or supervisor, who will also establish your lunch periods and rest breaks. Lunch periods are mandatory and will be scheduled for half an hour to one hour in duration. It may be necessary for these to be changed once in a while to keep the work flowing as smoothly as possible. You must punch or mark your time card for lunch each day.

The work week is a normal 40 hour week which starts on Sunday at 7 AM and ends on Saturday at 9 PM. Any hours over 40 will be paid at the rate of one and one-half of the regular hourly rate.

An employee must have overtime work in their department approved by their supervisor in advance.

CIVIC DUTIES

Jury Duty

If you receive a call to jury duty, please notify your supervisor immediately so he or she may plan your unpaid leave without overly disrupting your department. Please provide your supervisor with a copy of the jury duty notice as soon as it is received.

The Dealership reserves the right to require employees to provide proof of jury duty service to the extent authorized by law.

The Dealership will not retaliate against employees who request or take leave in accordance with this policy.

Voting

Although polls are open for extended hours, we realize that in some instances our employees are required to work overtime and may find these hours are not sufficient to enable them to make it to the polls. If you have a problem in this respect, please let your supervisor know so that we can make arrangements for you to have the necessary time off to vote.

TERMINATION OF EMPLOYMENT

In the event you choose to resign from your position, we ask that you give us at least two weeks' notice. This will allow the company time to find a replacement without putting a burden on your coworkers.

You will be responsible for:

- returning all company property, including office keys, demo keys, and uniforms;
- settling any open account with the company;
- your options regarding employee insurance;
- completing employee exit survey;
- picking up last payroll check from Payroll Department; and
- provide the payroll department with address information to receive year end payroll documents.

The value of any company property you do not return by your final day will be deducted from your last paycheck. In the case of a missing showroom key, you will have to pay for re-keying the doors and new keys for all employees. Your final paycheck will be processed at the normal payroll date.

PROBLEM RESOLUTION PROCEDURE

In any organization, questions and problems will arise between employees, and between an employee and his supervisor. This procedure is intended to resolve such situations before the working relationship is harmed.

1. Bring the problem to the attention of your supervisor, and give him or her a fair opportunity to work on it.
2. If you are not satisfied with the resolution, make an appointment with the General Manager to discuss the problem. Again, please allow time to research the problem.
3. If the General Manager is unable to resolve the problem, he will arrange to present the problem to the President of the company or his designee.
4. Under no circumstances will an employee be punished for bringing a problem to management's attention.

CONFLICT OF INTEREST

It is our policy to forbid employees to deal in the buying or selling of automobiles in private transactions. Employees also may not perform outside mechanical work or sell parts in private transactions or engage in any other business which competes with the dealership. Also, dealership policy forbids a financial interest in an outside concern which does business with or is a competitor of the dealership. Rendering of directive, managerial, or consulting services to any outside concern which does business with or is a competitor of the dealership, except with the knowledge and written consent of the General Manager is also prohibited. If you think that there is a possibility that you may have a conflict, it is your responsibility to notify the General Manager and obtain his approval in writing.

No employee shall accept a gift from a person or company that does business with Corwin Automotive Group. Normal gifts (less than \$25) are accepted.

Any questions as to what constitutes a conflict of interest should be directed to your supervisor.

CONFIDENTIALITY AND NONDISCLOSURE

Corwin Automotive Group may furnish to the employee certain confidential information and may further allow the employee the right to discuss or interview representatives of Corwin Automotive Group on the following conditions:

- The employee agrees to hold confidential or proprietary information or trade secrets ("confidential information") in trust and confidence and agrees that it shall be used only for the contemplated purposes, shall not be used any other purpose, or disclosed to any third party.
- No copies will be made or retained of any written information or prototypes supplied without the permission of Corwin Automotive Group.
- At the conclusion of any discussions, or upon demand by Corwin Automotive Group, all confidential information, including prototypes, written notes, photographs, sketches, models, memoranda, or notes taken shall be returned to Corwin Automotive Group.
- Confidential information shall not be disclosed to any employee, consultant or third party unless they agree to execute and be bound by the terms of this agreement, and have been approved by Corwin Automotive Group.

This section is provided for your information only and does not encompass the entirety of the Confidentiality and Nondisclosure agreement. Refer to the separate Confidentiality and Nondisclosure agreement for additional details.

EMPLOYEE BENEFITS

A substantial part of your total compensation is in the form of non-cash benefits. The company believes that providing these extra benefits to its employees is an important part of attracting and retaining the finest personnel. While the items mentioned below are currently in force, they are subject to change or discontinuance at the company's discretion.

Note: Please refer to State-Specific Information below for details related to sick leave, vacation, and PTO in each state.

VACATION

The company provides paid vacation based upon length of service: Vacation is granted on the anniversary date of your employment, and it is not accrued during the year. Commissioned employees may elect to be paid for their vacation in lieu of time off. For commission employees their payment is figured as 1/52 of the prior year's earnings per week. Salaried employees are paid at their regular base pay rate while on vacation and will not be paid for unused vacation.

1. 1 week after one year of employment
2. 2 weeks after two years of employment
3. 3 weeks after 10 or more years of employment

HOLIDAY

Paid holidays are determined each year based upon the calendar and dealership objectives, and may vary among departments and locations. Your supervisor will explain the paid holidays that pertain to you. Holiday pay does not count as "hours worked" for purposes of calculating an employee's entitlement to overtime during the week in which the holiday occurs.

PERSONAL DAYS

You will have 1 personal day after one full year of employment and 2 personal days after two full years. After 15 years of employment you will earn 2 more personal days (a total of 4 personal days). After 20 years of employment you will earn 1 more personal day (a total of 5 personal days). Your employment time must be completed prior to January 1 of the first year of eligibility because they are paid on the calendar year, January 1 through December 31. This does exclude the Sales department. This also may change depending on location.

MATERNITY LEAVE

You are allowed 6 weeks paid Maternity Leave. Your pay will start immediately from the day you go on leave. Each pay check during your 6 weeks paid will have your current deductions taken.

Your pay schedules will follow the same schedule as the dealership for all employees. Once your six weeks paid are up, the rest of your time off would be unpaid and would fall under FMLA if employee qualifies. If you choose to take more than the 6 weeks off, you will need to coordinate payments for any insurance you are currently paying for. This is location specific, please see your Payroll Administrator for questions.

HEALTH/DENTAL INSURANCE

The company pays a portion of the premium for health insurance for each employee. There is a 60-day waiting period to be eligible, and this is called your election date, this will either be the 1st or the 16th of the month following your first 60 days. You can only enroll in the plan on your election day or on January 1 on each year. The dental insurance is available as an option and the company does not participate in the premium. You may contact the personnel department for current premium rates.

RETIREMENT PLAN

The company offers a 401(k) plan through Bell State Bank & Trust located in Fargo, ND. You may enroll after one full year of employment. The minimum requirement to participate is 3% of your gross wages and the company matches 50% of your dollar up to 3%. We also offer a voluntary savings plan for after tax dollars earning tax deferred income and the Roth 401K investment option. You may contact the personnel department for more detailed information.

SERVICE DISCOUNTS

Employees may purchase parts at the dealerships cost plus 10%, and there is a 25% discount on retail service labor. All employee purchases must be on a cash basis.

NEW VEHICLE PURCHASE

Employees may purchase vehicles, for personal use only, from stock at invoice plus dealer adds or dealer advertised price. Dealer Principal and General Manager have the right to:

- Exclude limited production models
- Discount vehicles based on current manufacturer program.

USED VEHICLE PURCHASE

If the vehicle has been in stock less than 45 days, the price is negotiable. If the vehicle has been in stock for over 45 days, it may be purchased for inventory value.

Financing for all employees will be done at the dealer buy rate, and employees may purchase an extended warranty, all back-end products and aftermarket for cost plus 10%.

WORKERS COMPENSATION

The company pays the premium for workers compensation insurance for job related injuries. It is the employee's responsibility to notify their supervisor immediately if an injury occurs.

UNEMPLOYMENT INSURANCE

The company pays the premium for this coverage, which provides temporary income to a person who loses his/her job.

SOCIAL SECURITY

The company matches your contribution to social security, which provides a monthly income for employees and their families in the case of death, disability, or retirement.

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)

On April 7, 1986, a federal law was enacted (Public Law 99-272, Title X) requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the continuation coverage provisions of the law.

If you are an employee of the dealership, covered by the dealership's medical insurance plan, you have the right to choose continuation coverage if you lose your group health coverage because of a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part). Your eligible dependents may also have the right to elect and pay for continuation coverage for a temporary period in certain circumstances where their coverage under the Plan would otherwise end. If you have any questions concerning your rights under COBRA, please contact the Plan Administrator for details.

UNPAID MEDICAL AND FAMILY LEAVE OF ABSENCE

Full-time employees who have been with the dealership for one year are eligible for unpaid leaves of absence for up to twelve weeks for medical reasons. Medical reasons may include illness, injury, medical and surgical procedures, and related medical conditions. Family reasons include the birth of an employee's child, the placement of a child with an employee for adoption or foster care, or a medical problem that requires an employee to care for a spouse, child or parent who has a serious health condition. Each request must be accompanied by a statement, acceptable to the dealership, from the employee's physician indicating that the employee is unable to return to work. In no event may an employee's total medical and/or family leave combined exceed twelve weeks in a twelve-month period.

During a leave of absence, the dealership's medical insurance plan allows covered employees and their eligible dependents to maintain medical insurance benefits by electing and paying for continuation coverage. The employee and his or her eligible dependents must pay the monthly premiums for any continuation coverage as elected. It is the Plan Document that ultimately governs your eligibility and entitlement to these benefits.

Upon the employee's return from a leave of absence, we will attempt to return the employee to his or her regular job if it is available. If it is not available, the employee will be considered for a similar job for which the employee is deemed by management to be qualified if such a job is

available. If no jobs are available at the time, the returning employee will be given consideration for any position for which he or she applies and for which he or she is deemed by management to be qualified. A returning employee will be given such consideration for a period of sixty days following his or her notifying the dealership in writing that he or she is ready and able to return to work.

Failure to report to work as scheduled following a leave of absence can result in dismissal. Employees who are out on leaves of absence will not accrue such benefits as vacation or holiday pay during their leaves of absence.

MILITARY LEAVE OF ABSENCE

Employees who require time off from work to fulfill military duties will be treated in accordance with applicable requirements of state and federal laws. You are expected to notify the dealership of upcoming military duty by providing your supervisor with a copy of your orders as soon as possible.

GENERAL POLICIES

PARKING

Your supervisor will instruct you to your proper parking locations. Employees are prohibited from parking in the customer spaces on the dealership lot. Your supervisor may also request that employees leave certain street parking locations for customers.

ACCIDENT

Any accident involving property or personal damage must be reported immediately to your supervisor. If you are involved in an accident involving company or customer property, you shall:

- Remain at the accident scene until the police have arrived and completed their report.
- Do not discuss the accident with anyone except the police, do not admit fault or make any admissions; and
- Report the accident to your supervisor as soon as possible.
- If the accident is considered an at fault accident, you will be required to pay up to \$500 of the company deductible.
- Same day Mandatory Drug testing of employee involved in any accident.

WORK ON PERSONAL CARS

The General Manager may, at his sole discretion, permit the use of company facilities, during non-business hours, for work on employee's personal vehicles. The company assumes no liability for damage or injury. Under no circumstances will company equipment or tools be removed from the premises for personal use.

SMOKING

Smoking on any of the Corwin properties must follow regulations of State Laws. This includes any type of tobacco and E-Cigarettes. It is prohibited to smoke in a customer or Company-owned vehicle.

APPEARANCE

Each supervisor is authorized to set and enforce standards of dress and grooming based on the responsibilities of his department.

UNIFORMS

If uniforms are required in your department, your supervisor will advise you of the company policy regarding your responsibility for the cost and maintenance.

TELEPHONES

Telephones are to be used for company business. If the circumstances warrant, personal local calls may be made during your lunch period. No personal long-distance calls are to be made on company telephones.

INTERNET USAGE

The purpose of our Internet is to provide appropriate technical and educational materials. The use of the Internet, here at work, is to be restricted to business purposes only. Use not related to business will be considered unauthorized by the company and reason for immediate discipline which could result in termination of the employee from work. Due to issues related to security; privacy; terms of employment; and financial, the use of the Internet may be restricted at any time and for any reason and without advance notice to employee. The company prohibits employees from using the Internet to directly or indirectly; passively and/or actively; participate in any/all illegal activities. The company prohibits employees from viewing sexually explicit materials, pictures, words; audio and/or descriptions on the premises and at any hour.

DEMONSTRATORS

The demonstrator is to be used for company business and commuting only. The assigned employee is responsible for any damage to the vehicle, including the insurance deductible.

SOLICITATION

Solicitation for any purpose, including charitable, political, and union is prohibited while on company time or company premises.

STATEMENT ON GENERAL CONDUCT

All employees understand that Corwin Automotive Group's goal is to maintain a work environment free from intimidation, threats or violent acts. To that end, the company has adopted

a zero-tolerance policy regarding violence in the workplace. This includes, but is not limited to, intimidating, threatening or hostile behaviors, physical abuse, vandalism, arson, sabotage, use of weapons of any kind onto company property regardless of possession of a lawful permit or any other aggressive act, which, in management's opinion, is inappropriate to the workplace. The company expects every employee to conduct himself or herself in a manner which inspires the favor and confidence of the community, whether on duty or off duty.

UNITED WAY

The company supports the United Way, and encourages its employees to participate. Contributions may be made through payroll deduction if desired. Details will be provided to each employee during the annual fund drive.

CASH REPORTING POLICY

All employees must comply with all cash reporting laws and regulations established by the IRS. The dealerships policy prohibits employees from discussing cash reporting laws with customers. All customer questions concerning this subject should be referred to the General Manager. Employees are prohibited from structuring payments with a customer in any way that would avoid the IRS cash reporting requirements. Violation of the policy can result in termination and also could result in a felony conviction.

SAFETY

Each employee is entitled to work in a safe and healthy environment. The following are some specific rules to be followed, but the list is by no means inclusive:

1. The speed limit on company property is 5 miles per hour.
2. Extreme care shall be exercised while driving or moving a vehicle, or operating any piece of equipment.
3. All safety clothing and apparatus is to be worn as directed by your supervisor.
4. All traffic areas are to be kept open and uncluttered.

If you see a potential safety hazard, please correct the situation or report it to your supervisor immediately.

Any injury which occurs on the job, regardless of how trivial it may appear, must be immediately reported to your supervisor. First aid supplies are available in the dealership. The company is required to report all work-related accidents to state regulatory agencies. In the event further medical attention is required, you will be provided transportation to a nearby facility. Our company is enrolled in the Risk Management Program with North Dakota Work Force and Safety and you must go to one of the designated health care providers.

SUBSTANCE ABUSE POLICY STATEMENT

Corwin Automotive Group is committed to providing a safe work environment and to fostering the well-being and health of its employees. That commitment is jeopardized when any *Corwin Automotive Group* employee illegally uses drugs on or off the job, comes to work under the influence, possesses, distributes or sells drugs in the workplace, or abuses alcohol on the job.

Therefore, *Corwin Automotive Group* has established the following policy:

1. It is a violation of company policy for any employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job.
2. It is a violation of company policy for any employee to report to work under the influence of or while possessing in his or her body, blood, or urine illegal drugs in any detectable amount.
3. It is a violation of company policy for any employee to report to work under the influence of or impaired by alcohol.
4. It is a violation of the company policy for any employee to use prescription drugs illegally, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than-as prescribed. (However, nothing in this policy precludes the appropriate use of legally prescribed medications.)
5. Violations of this policy are subject to disciplinary action up to and including termination.
- 6. Employee Assistance Program.**

Corwin Automotive Group offers an Employee Assistance Program (EAP) benefit for employees and their dependents. The EAP provides confidential assessment, referral and short-term counseling for employees who need or request it. If an EAP referral to a treatment provider outside the EAP is necessary, costs may be covered by the employee's medical insurance, but the cost of such outside services is the employee's responsibility.

Confidentiality is assured. NO information regarding the nature of the personal problem will be made available to the supervisors nor will it be included in the permanent Personnel file.

Participation in the EAP will not affect an employee's career advancement or employment, nor will it protect an employee from disciplinary action if substandard job performance continues. The EAP is a process used in conjunction with discipline; it is not a substitute for discipline.

The EAP can be accessed by an employee through self-referral or through referral by a supervisor.

7. Opportunity to Contest or Explain Test Results

Employees and job applicants will be given the opportunity to explain or contest a confirmed positive result with the Medical Review Officer (MRO) within five (5) working days after being notified by the MRO of his/her test result.

8. General Procedures

An employee reporting to work visibly impaired will be deemed unable to properly perform required duties and will not be allowed to work. If possible, the employee's supervisor will first seek another supervisor's opinion to confirm the employee's status. Next the supervisor will consult privately with the employee to determine the cause of the observation, including whether substance abuse has occurred. If, in the opinion of the supervisor, the employee is considered impaired, the employee will be sent home or to a medical facility by taxi or other safe transportation alternative - depending on the determination of the observed impairment - and accompanied by the supervisor or another employee if necessary. A drug test may be in order if the situation meets the parameters of testing criteria listed in item "11. Employee Testing" within this policy. An impaired employee will not be allowed to drive.

9. Confidentiality

The confidentiality of any information received by the employer through a substance abuse testing program shall be maintained, except as otherwise provided by law.

10. Pre-Employment Drug Testing

All job applicants at this Company will undergo testing for the presence of illegal drugs as a condition of employment. Any applicant with a confirmed positive test will be denied employment.

Applicants will be required to submit voluntarily to a urinalysis test at a laboratory chosen by this Company, and by signing a consent agreement will release this Company from liability.

If the physician, official, or lab personnel has reasonable suspicion to believe that the job applicant has tampered with the specimen, the applicant will not be considered for employment.

This Company will not discriminate against applicants for employment because of a past history of drug abuse. It is the current abuse of drugs, preventing employees from performing their job properly, that this Company will not tolerate.

Individuals who have failed a pre-employment test may initiate another inquiry with the Company after a period of not shorter than six 6 months; but they must present themselves drug-free as demonstrated by urinalysis or other test selected by this Company.

11. Employee Testing

This Company has adopted testing practices to identify employees who use illegal drugs on or off the job or who abuse alcohol on the job. It shall be a condition of employment for all employees to submit to substance abuse testing under the following circumstances:

B. When employees have caused or contributed to an on-the-job injury that Resulted in a loss of work-time, which means any period of time during which an employee stops performing the normal duties of employment and leaves the place of employment to seek care from a licensed medical provider. The company may also send employee for a substance abuse test if they are involved in on-the-job accidents where personal injury or damage to company property occurs.

C. As part of a follow-up program to treatment for drug abuse when an employee has voluntarily entered a rehabilitation program because of a positive confirmed test result. The frequency of such testing shall be a minimum of at least once a year for a two year period after completion of the rehabilitation program. Advance notice of testing shall not be given to the employee.

12. Alcohol Abuse

The consumption or possession of alcoholic beverages on this Company's premises is prohibited. (Company sponsored activities which may include the serving of alcoholic beverages are not included in this provision.) An employee whose normal faculties are impaired due to the consumption of alcoholic beverages, or whose blood alcohol level tests (.05 or higher), while on duty/company business shall be guilty of misconduct, and shall be subject to discipline up to and including termination. Failure to submit to a required substance abuse test also is misconduct and also shall be subject to discipline up to and including termination.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive, and drug-free environment. The intent of this policy is to offer a helping hand to those who need it, while sending a clear message that the illegal use of drugs and the abuse of alcohol are incompatible with employment at *Corwin Automotive Group*.

SUMMARY

This employee handbook is meant to highlight the opportunities and responsibilities with the Corwin Automotive Group. Our success depends on the success of our employees. Again, welcome to the Corwin Automotive Group dealership family, we look forward to working with you.

APPENDICES

The employee will be required to complete and sign the following forms in addition to this handbook:

- Receipt/Acknowledgement of Employee Handbook

- New Employee Information Sheet
- Wage Deduction Authorization
- General Safety Rules
- General Conduct
- New Employee Safety Orientation
- Policy on Dealership Integrity
- Policy Statement on Cash Reporting
- Insurance Deductible Policy
- Employee Agreement On Information Security
- Mutual Agreement to Mediate and Arbitrate
- Confidentiality and Nondisclosure Agreement
- Internet & Social Media Publishing Guidelines
- US Form I-9: Employment Eligibility Verification
- US Form W-4: Employee's Withholding Allowance Certificate

Additional forms may be required as needed. Refer to your manager or Human Resources with any questions.

IDAHO EMPLOYEES

POLICY AGAINST WORKPLACE HARASSMENT

Corwin Automotive Group has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

MISSOURI EMPLOYEES

POLICY AGAINST WORKPLACE HARASSMENT

Corwin Automotive Group has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age, race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), marital status, physical or mental disability, genetic information (including testing and characteristics), association with anyone who is a member of a protected class, AIDS/HIV status, veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

MONTANA EMPLOYEES

NATURE OF EMPLOYMENT RELATIONSHIP

No policy or provision in this handbook is intended to create a contract binding you or Corwin Automotive Group to an agreement of employment for a specific period of time. Except as prohibited by state law, your employment can be terminated by either you or the Company at any time, for any reason, with or without notice. Only the General Manager has the authority to make promises or negotiate with regard to guaranteed or continued employment, and any such promises are only effective if placed in writing and signed by the General Manager.

If a written contract between you and the Company is inconsistent with this handbook, the written contract is controlling.

Nothing in this handbook will be interpreted, applied, or enforced to interfere with, restrain, or coerce employees in the exercise of their rights under Section 7 of the National Labor Relations Act.

PAY PERIODS

Corwin Motors Kalispell pay dates are three working days after the 14th of the month and three working days after the last day of the month.

Corwin Honda Kalispell pay dates are three working days after the 15th of the month and three working days after the last day of the month.

If a pay date falls on a weekend or holiday, paychecks will be issued on the following business day. Special provisions may be required from time to time if holidays fall on pay dates. Check with your Manager if this type of date arises.

POLICY AGAINST WORKPLACE HARASSMENT

Corwin Automotive Group has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age, race, color, national origin, ancestry, creed, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), marital status, physical or mental disability, genetic information (including testing and characteristics), association or relationship with a member of a protected status group, veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

CRIME VICTIM LEAVE POLICY

Corwin Automotive Group will permit eligible employees to take time off from work to participate at the prosecuting attorney's request in preparation for or attendance at a criminal justice proceeding.

To be eligible for leave, you must be:

- The victim of the crime at issue in the proceedings; or
- The victim's spouse, child by birth or adoption, stepchild, parent, stepparent, or sibling.

You are not eligible for leave if you are accountable for the crime at issue in the proceedings.

Time off under this policy will be without pay; however, exempt employees will not incur any reduction in pay for a partial week's absence.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

JURY DUTY LEAVE POLICY

Corwin Automotive Group encourages employees to fulfill their civic duties related to jury duty. If you are summoned for jury duty, notify your Manager as soon as possible to make scheduling arrangements.

If you are classified as exempt, you will not incur any deduction in pay for a partial week's absence due to jury duty. If you are classified as nonexempt, you will not be compensated for time spent on jury duty. You may opt to use PTO in place of unpaid leave.

The Company reserves the right to require employees to provide proof of jury duty service to the extent authorized by law.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

MATERNITY LEAVE POLICY

Corwin Automotive Group will provide female employees a reasonable leave of absence for pregnancy. If you wish to take maternity leave, you may be required to provide a medical certification stating that you are not able to perform your employment duties as a result of the pregnancy.

Upon return from leave, you will be reinstated to your original job or to an equivalent position with equivalent pay and accumulated seniority, retirement, fringe benefits, and other service credits, unless circumstances have changed such that reinstatement is impossible or unreasonable.

Disabilities caused or contributed to by pregnancy and related medical conditions will be treated like other temporary disabilities for all job-related purposes.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

VACATION

Although you may carry over unused vacation time from year to year, there may be a cap on the amount of vacation time you can accrue. Once you reach your cap, you will not accrue any more vacation until you use some of the time in your account and drop below the cap. After your balance goes below the cap, you will begin accruing vacation time again. However, you will not receive retroactive credit for time worked while you were at the cap limit.

NEBRASKA EMPLOYEES

FAMILY MILITARY LEAVE

Corwin Automotive Group provides up to 30 days of unpaid family military leave to employees who are the spouse or parent of a person called to military service. The leave must be taken during the time the federal or state deployment orders are in effect.

To be eligible for family military leave, you must:

- Have worked for the Company for at least 12 months;
- Have worked for at least 1,250 hours during the 12-month period immediately preceding the start of family military leave; and
- Be the spouse or parent of a person called to military service, by the State of Nebraska or the United States, lasting 179 days or longer.

If you need to take family military leave, notify your Manager as soon as practicable. If the leave is for five or more consecutive workdays, you must provide at least 14 days' notice. Consult with your Manager to schedule the leave so as not to unduly disrupt the operations of the Company. You may be required to provide certification from the proper military authority to verify your eligibility for leave.

You may elect to use any available paid time off for which you are eligible under Company policy for the purpose of taking family military leave, and such paid time off will run concurrently with the leave afforded under this policy.

Upon returning from family military leave, you will be restored to your previous position or to a position with equivalent seniority status, employee benefits, pay, and other conditions of employment.

During family military leave, you will be able to continue your health insurance benefits at your own expense.

The Company will not discriminate or retaliate against employees who request or take leave in accordance with this policy.

JURY DUTY

Corwin Automotive Group encourages employees to fulfill their civic duties related to jury duty. If you are summoned for jury duty, notify your Manager as soon as possible to make scheduling arrangements.

You will receive your regular compensation for time spent on jury duty; however, your pay will be reduced by any compensation — other than expenses — that the court pays you for jury duty.

The Company reserves the right to require employees to provide proof of jury duty service to the extent authorized by law.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

POLICY AGAINST WORKPLACE HARASSMENT

Corwin Automotive Group has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

PAID TIME OFF POLICY

Pursuant to Nebraska's Wage Payment and Collection Act, PTO which has been accrued and is available for use at the time of separation from employment will be paid to the employee with their last paycheck.

VOTING LEAVE

If you do not have two consecutive hours while the polls are open during which you are not required to be working for Corwin Automotive Group, the Company will provide you with up to two paid hours of leave for purposes of voting. If you provide notice of your need for leave in advance of Election Day, your pay cannot be reduced or deducted in connection with your leave from work. Your Manager may determine the time that you may take leave.

NORTH DAKOTA EMPLOYEES

PAID TIME OFF POLICY

Pursuant to N.D. Admin Code § 46-02-07-02(12), PTO which has been accrued and is available for use at the time of separation from employment will be paid to the employee with their last paycheck. Cashed out PTO will be paid at the regular rate of pay earned by the employee prior to separation.

POLICY AGAINST WORKPLACE HARASSMENT

Corwin Automotive Group has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

WITNESS LEAVE

Corwin Automotive Group realizes that, on occasion, employees may be subpoenaed to testify as a witness in court. In such cases, you will be provided unpaid leave to attend. Notify your Supervisors as soon as possible to make scheduling arrangements.

The Dealership reserves the right to require employees to provide proof of the need for leave to the extent authorized by law.

The Dealership will not retaliate against employees who request or take leave in accordance with this policy.

WASHINGTON STATE EMPLOYEES

ACCOMMODATIONS FOR VICTIMS OF DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING

Corwin Automotive Group will provide reasonable safety accommodation to employees who are victims of domestic violence, sexual assault, or stalking, provided the accommodation would not pose an undue hardship on Company business.

Reasonable safety accommodations may include, but are not limited to:

- Transfer or reassignment;
- Modified job schedule;
- Change in work telephone number, email address, or workstation;
- Installed locks;
- Implementing safety procedures; or
- Any other adjustment to a job structure, workplace facility, or work requirement in response to an actual or threatened act of domestic violence, sexual assault, or stalking.

If you require a safety accommodation, notify your Manager. You may be required to provide documentation verifying that you are a victim of domestic violence, sexual assault, or stalking. This requirement may be satisfied by providing the Company with documents such as a police report, court order, or written statement.

After receiving your request for a safety accommodation, the Company will work with you to explore potential accommodations. The Company encourages you to suggest specific accommodations that you believe would be effective. However, the Company is not required to make any requested accommodation and may provide an alternative accommodation that can be made without imposing an undue hardship on the Company.

The Company will not discriminate or retaliate against employees who are victims of domestic violence, sexual assault, or stalking, or who request an accommodation in accordance with this policy.

MEAL AND REST PERIODS

Corwin Automotive Group strives to provide a safe and healthy work environment and complies with all federal and state regulations regarding meal and rest periods. Check with your Manager regarding procedures and schedules for rest and meal breaks. You will not be required to work more than five consecutive hours without a 30-minute meal break. A 10-minute rest period will be provided for every four hours of working time.

The Company requests that employees accurately observe and record meal and rest periods. If you know in advance that you may not be able to take your scheduled break or meal period, let your Manager know; in addition, notify your Manager as soon as possible if you were unable to or prohibited from taking a meal or rest period.

MILITARY FAMILY LEAVE

In accordance with the Washington Military Family Leave Act (MFLA), Corwin Automotive Group will provide employees who are the spouse of a military member up to 15 days of leave from work for each deployment when the military spouse is deployed or called up to active duty. The leave may be used prior to the deployment, or during the period when the military spouse is on leave during the deployment.

As used in this policy:

- Spouse includes same-sex spouses and state-registered domestic partners.
- Military member means a member of the U.S. Armed Forces, National Guard, or reserves.

To be eligible for such leave, you must work 20 or more hours per week.

To take military family leave, you must provide notice of intention to take leave within five business days of receiving official notice of an impending call or order to active duty or of a leave from deployment.

The leave provided under this policy is unpaid; however, you may substitute any available paid leave. You may split the 15-day leave between different periods of time (pre-deployment or while the military member is on leave during deployment). The total number of days of leave, however, cannot exceed 15 days per deployment.

The Company may count FMLA-qualified leave related to a deployment as state MFLA leave if the leave is taken before the deployment, or during any period when the military spouse is on leave from deployment.

You will be allowed to continue available group health benefits at your own expense.

Upon return from leave, you will be restored to your prior position.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

LEAVE FOR VICTIMS OF DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING

If you are a victim, or a family member of a victim, of domestic violence, sexual assault, or stalking, Corwin Automotive Group will provide you with reasonable unpaid leave from work to take care of legal or law enforcement needs or to get medical treatment, social services assistance, or mental health counseling. Family member means a child, spouse, parent, parent-in-law, grandparent, or person you are dating. The Company may request verification of your family relationship.

When possible, you must provide reasonable advance notice of the need for leave. If advance notice cannot be given because of an emergency or unforeseen circumstances due to domestic

violence, sexual assault, or stalking, you or someone on your behalf must provide notice no later than the end of the first day you take leave.

You may be required to provide verification that you or your family member is a victim of domestic violence, sexual assault, or stalking and that the leave is being taken for purposes described above. Verification must be provided in a timely manner and will only be used to establish that the leave is legally protected. You may satisfy the verification requirements by providing the Company with documents such as a police report, court order, or written statement.

With exception, information provided by you will be kept confidential. This includes:

- The fact that you or your family member is a victim of domestic violence, sexual assault, or stalking.
- That you have requested or obtained domestic violence leave.
- Any written or oral statement, documentation, record, or corroborating evidence you provide.

Information provided by you will only be disclosed under the following circumstances:

- When requested or consented to by you.
- When ordered by a court or administrative agency.
- Where otherwise required by applicable federal or state law.

Leave under this policy is unpaid; however, you may choose to use any accrued paid leave. Leave may be taken intermittently, on a reduced work schedule, or in a single block of time, as the circumstances warrant. During the leave, the Company will maintain any health insurance coverage being provided in the same manner as if you had not taken leave.

The leave must be reasonable in duration, which will be determined by management and you, based upon the circumstances.

Upon return from leave, you will be reinstated to the position held prior to taking leave or to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment, subject to certain exceptions as provided under Washington law.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

POLICY AGAINST WORKPLACE HARASSMENT

Corwin Automotive Group has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, employees, applicants, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

Refer to the company's "*Sexual and Other Types of Harassment*" policy above for more details regarding this policy and disciplinary actions.

PAID TIME OFF POLICY

The PTO policy includes 2 separate accruals, Paid Sick Leave and Supplemental Vacation Time.

The PTO policy is an accrual plan based on the calendar year January 1- December 31.

Paid Sick Leave (For most employees)

You are entitled to accrue paid sick leave at one (1) hour of paid sick leave for every 40 hours you work.

During your first year of employment you may use this accrued paid sick leave for the following reasons (as outlined at RCW 49.46.210(1) (b) and (c)):

- To care for yourself or a family member; (absence longer than 3 days requires a doctor's note)
- When you or a family member is the victim of sexual assault, domestic violence, or stalking; and
- In the event our business or your child's school or place of care is closed by order of a public official for any health-related reason.

After completing one full year of employment Paid Sick Leave may be used as vacation time.

You are entitled to use accrued paid sick leave beginning 90 calendar days after the start of your employment to be paid at your regular hourly rate of pay.

Paid sick leave may be used in increments of one hour.

You may only use the hours of Paid Sick Leave that you have already accrued.

Notice for use of Paid Sick Leave must be in writing to insure pay is compensated correctly.

Retaliation against you by Corwin Ford for using paid sick leave for authorized purposes, or for the exercise of any rights under the Minimum Wage Act (chapter 49.46 RCW), is prohibited.

Accrued, unused paid sick leave balances of 40 hours or less will be carried over to the following year.

In the event of a separation of employment, unused paid sick leave will not be paid to the employee.

If the employee is rehired within 12 months of separation any unused accrued sick leave from the previous period of employment will be reinstated. If rehired in a new calendar year no more than 40 hours will be reinstated.

Paid sick leave cannot be cashed out.

Supplemental Vacation Time (For Full-Time Employees only)

Employees (Full-Time) who have completed 2 full years of employment before January 1st:

- May continue to use their accrued paid sick leave as vacation time
- Will accrue vacation at .5 hours per 40 hours worked, up to 80 hours combined PTO (sick leave plus vacation time)

Employees (Full-Time) who have completed 10 full years of employment before January 1st:

- May continue to use their accrued paid sick leave as vacation time
- Will accrue vacation at 1.25 hours per 40 hours worked, up to 120 hours combined PTO (sick leave plus vacation time)

Notice for use of PTO must be in writing, since it is the employee's choice to use sick leave or vacation time. If you don't specify the default is vacation time.

Use of PTO is subject to the approval of management.

Because the PTO accrual is based on hours worked and every employee's hours worked will be different, it may be necessary to place a limit on the vacation time being accrued by individual employees. This would only be done if it is determined that the combined sick leave and vacation time will exceed the 80 or 120 hours for the calendar year.

At the end of every calendar year:

- All employees PTO accruals will be audited to insure that the employee did receive 80 or 120 hours combined PTO. If there is a discrepancy the employee's vacation time will be adjusted.
- Up to 40 hours of sick leave will be carried over to the next calendar year, any hours over the 40 will be moved to vacation time (for employees who qualify to earn vacation time)
- A total of 80 hours of combined sick leave and vacation time may be carried over to the next calendar year.
- Any vacation hours that go over the combined 80 hours allowed will be paid to the employee in February of the new calendar year.

Through the end of February employees may request to cash out any or all of their carried over vacation time (Paid sick leave cannot be cashed out). This will be the only time during the year that vacation time may be cashed out.

In the event of a separation of employment accrued but unused vacation time will be paid to the employee on their final paycheck. Accrued but unused sick time will not be paid to the employee.

The complete Paid Sick Leave law may be found @

www.Lni.wa.gov/sickleave or see

Minimum Wage Requirements and Labor Standards Act (RCW 49.46.010(3))

FAMILY LEAVE

In accordance with the Washington Family Leave Act (FLA), Corwin Automotive Group will provide eligible employees up to a combined total of 12 weeks of unpaid FLA leave per leave year.

Eligibility

To be eligible for FLA leave:

- You must have worked for the Company for at least 12 months (52 weeks) prior to beginning FLA leave.
- You must have worked for the Company at least 1,250 hours during the 12-month period immediately before the leave is to start.
- You must work at a worksite that employs 50 or more employees within 75 miles.

Leave Usage

FLA leave may be taken for the following reasons:

- The birth of your child and in order to care for the child.
- The placement of a child with you for adoption or foster care.
- To care for a covered family member with a serious health condition.
- To take care of your own serious health condition that makes you unable to perform the functions of your position.

Family member includes your child, parent, spouse, or state registered domestic partner.

Child means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is:

- Under 18 years of age; or
- 18 years of age or older and incapable of self-care because of a mental or physical disability.

Family leave may be taken concurrently with other paid leave. It must run concurrently with leave taken under the federal Family and Medical Leave Act (FMLA), but does not run concurrently with Washington Pregnancy Disability Leave.

When medically necessary, leave may be taken on an intermittent or reduced work schedule.

If you are taking leave for the birth, adoption, or foster care placement of a child, you must finish the leave within one year of the birth or placement for adoption or foster care.

You may choose to use another form of paid leave if your FLA leave otherwise meets the requirements of the applicable paid leave.

This leave runs concurrently with the federal Family and Medical Leave Act where applicable and/or any other leave where permitted by state and federal law.

Notice Requirement

When possible, you must provide at least 30 days' advance notice of the need for leave where leave is foreseeable (such as the birth of a child or planned medical treatment). If the need for leave is not foreseeable, provide notice as soon as possible. Notice should include the estimated time and duration of the leave.

Failure to comply with the notice requirement is grounds for, and may result in, delay of the leave until you comply.

Medical Certification

The Company may require a written statement from your health care provider or the health care provider of your child, parent, or spouse with a serious health condition stating the reason for the leave and the probable duration of the condition.

Return to Work

If you take leave for your own serious health condition, you will be required to obtain a release from your health care provider stating that you are able to return to work.

Reinstatement

Upon returning to work at the end of leave, you will be placed in your original job, or an equivalent job at a workplace within 20 miles of your former workplace, with equivalent pay and benefits. You will not lose any benefits that accrued before leave was taken. You may not, however, be entitled to discretionary raises, promotions, bonus payments, or other benefits that become available during the period of leave.

Key Employees

Certain highly compensated or "key employees" may be denied restoration to their prior or equivalent position.

Benefits

If the Company provides you with health benefits under a group health plan, the Company will maintain and pay for your health coverage at the same level and under the same conditions as coverage would have been provided if you had not taken FLA leave.

Failure to Return to Work

If you fail to return to work or fail to request an extension of leave prior to the expiration of the leave, you will be considered to have voluntarily terminated your employment.

Alternative Employment

While on leave, you may not work or be gainfully employed either for yourself or others unless express, written permission to perform such outside work has been granted by the Company. If you are on a leave of absence and are found to be working elsewhere without permission, you will be subject to disciplinary action up to and including termination.

Abuse of Leave

If you provide a false reason for leave, you will be subject to disciplinary action up to and including termination.

Retaliation

The Company will not retaliate against employees who request or take leave in accordance with this policy.