

# Legacy Beverage, LLC

Legacy Employee Handbook

July 24, 2019

## TABLE of CONTENTS

CORE POLICIES4			
1.0	WELCOME	4	
	A Welcome Policy		
	At-Will Employment		
	INTRODUCTORY LANGUAGE AND POLICIES		
	About the Company		
	Ethics Code		
	HIRING AND ORIENTATION POLICIES		
3.1 3.2	Conflicts of Interest Employment of Relatives and Friends	5	
3.2	Job Descriptions		
3.4	New Hires and Introductory Periods		
3.5	Posting of Openings		
3.6	Training Program		
	Employment Authorization Verification		
4.0	WAGE AND HOUR POLICIES		
4.1	Attendance Policy		
	Business Expenses Policy		
4.3	Direct Deposit	/	
4.4	Introduction to Wage and Hour Policies Job Abandonment	<i>1</i> د	
4.5 4.6	Paycheck Deductions		
4.0	Recording Time		
4.8	Travel Expenses		
	Use of Employer Credit Cards		
5.0 I	PERFORMANCE, DISCIPLINE, LAYOFF, AND TERMINATION	10	
5.1	Criminal Activity/Arrests	10	
5.2	Exit Interview		
5.3	Outside Employment		
5.4	Pay Raises		
5.5 5.6	Performance Improvement Post-Employment References		
5.0	Prost-Employment References		
5.8	Promotions		
5.9	Standards of Conduct		
5.10	Workforce Reductions (Layoffs)		
	GENERAL POLICIES		
	Authorization for Use of Personal Vehicle		
	Computer Security and Copying of Software		
	Driving Record		
	Employer Sponsored Social Events Employer-Provided Cell Phone/Mobile Device Policy	14	
6.5 6.6	GPS Monitoring of Employer Vehicles	14	
6.7	Incentive Programs		
6.8	Off-Duty Use of Employer Property or Premises		
6.9	Open Door Policy		
6.10	) Personal Appearance	15	
6.11			
6.12			
6.13			
6.14 6.15	,		
6.16	•		
6.17			
	BENEFITS		
7.1	Bereavement Leave		
7.2	Exempt Personnel	19	
7.3	Holidays		
7.4	Leaves of Absence		
7.5	Regular Full-Time Personnel		
7.6	Workers' Compensation Insurance Policy		
7.7 7.8	COBRA Family and Medical Leave (FMLA) Policy		
7.8	Military Leave (USERRA)		
	SAFETY AND LOSS PREVENTION		
8.1	General Safety Policy		
8.2	Policy Against Workplace Violence		

9.0 TRADE SECRETS AND INVENTIONS	26
9.1 Confidentiality and Nondisclosure of Trade Secrets	26
10.0 CUSTOMER RELATIONS	
10.1 Customer, Client, and Visitor Relations	26
10.2 Products and Services Knowledge	26
ARIZONA POLICIES	27
INTRODUCTORY LANGUAGE AND POLICIES	27
Revisions to Handbook	
HIRING AND ORIENTATION POLICIES	27
Disability Accommodation	
EEO Statement and Nonharassment Policy	
Religious Accommodation	
WAGE AND HOUR POLICIES	
Meal and Rest Periods	
Overtime	
PERFORMANCE, DISCIPLINE, LAYOFF, AND TERMINATION	
Disciplinary Process	
GENERAL POLICIES	
Access to Personnel and Medical Records Files	
Payroll Advances and Loans Voicemail, Email, and Internet Policy	
BENEFITS	
Crime Victim Leave	
Health Insurance	
Jury Duty Leave	
Paid Sick Leave - Accrual Method (15 or More EE in Arizona)	
Vacation Policy	
Voting Leave	35
SAFETY AND LOSS PREVENTION	35
Nonsmoking Policy	35
TRADE SECRETS AND INVENTIONS	35
Inventions	35
CLOSING STATEMENT	36
ACKNOWLEDGMENT OF RECEIPT AND REVIEW	37

## 1.0 Welcome

## 1.1 A Welcome Policy

Welcome! You have just joined a dedicated organization. We hope that your employment with Legacy Beverage, LLC will be rewarding and challenging. We take pride in our employees as well as in the products and services we provide.

The Company complies with all federal and state employment laws, and this handbook generally reflects those laws. The Company also complies with any applicable local laws, although there may not be an express written policy regarding those laws contained in the handbook.

The employment policies and/or benefits summaries in this handbook are written for all employees. When questions arise concerning the interpretation of these policies as they relate to employees who are covered by a collective-bargaining agreement, the answers will be determined by reference to the actual union contract, rather than the summaries contained in this handbook.

Please take the time now to read this handbook carefully. Sign the acknowledgment at the end to show that you have read, understood, and agree to the contents of this handbook, which sets out the basic rules and guidelines concerning your employment. This handbook supersedes any previously issued handbooks or policy statements dealing with the subjects discussed herein. The Company reserves the right to interpret, modify, or supplement the provisions of this handbook at any time. Neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. Please understand that no employee handbook can address every situation in the work place.

If you have questions about your employment or any provisions in this handbook, contact Human Resources.

We wish you success in your employment here at Legacy Beverage, LLC!

All the best,

Christian Otzen, President Legacy Beverage, LLC

## 1.2 At-Will Employment

Your employment with Legacy Beverage, LLC is on an "at-will" basis. This means your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to leave the Company at any time, with or without notice and with or without cause.

Nothing in this handbook or any other Company document should be understood as creating a contract, guaranteed or continued employment, a right to termination only "for cause," or any other guarantee of continued benefits or employment. Only the President 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 President.

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.

## 2.0 Introductory Language and Policies

## 2.1 About the Company

Add your [[about the company]] statement here.

## 2.2 Ethics Code

Legacy Beverage, LLC will conduct business honestly and ethically wherever operations are maintained. We strive to improve the quality of our services, products, and operations and will maintain a reputation for honesty, fairness, respect, responsibility, integrity, trust, and sound business judgment. Our managers and employees are expected to adhere to high standards of business and personal integrity as a representation of our business practices, at all times consistent with their duty of loyalty to the Legacy Beverage, LLC.

We expect that officers, directors, and employees will not knowingly misrepresent the Company and will not speak on behalf of the Company unless specifically authorized. The confidentiality of trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) about the Company or operations, or that of our customers or partners, is to be treated with discretion and only disseminated on a need-to-know basis (see policies relating to privacy).

Violation of the Code of Ethics can result in discipline, up to and including termination of employment. The degree of discipline imposed may be influenced by the existence of voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

## 2.3 Mission Statement

Insert your company's [[mission statement]] here.

## 3.0 Hiring and Orientation Policies

## 3.1 Conflicts of Interest

Legacy Beverage, LLC is concerned with conflicts of interest that create actual or potential job-related concerns, especially in the areas of confidentiality, customer relations, safety, security, and morale. If there is any actual or potential conflict of interest between you and a competitor, supplier, distributor, or contractor to the Company, you must disclose it to your managers/supervisors. If an actual or potential conflict of interest, the Company will take such steps as it deems necessary to reduce or eliminate this conflict.

## 3.2 Employment of Relatives and Friends

We will not employ friends or relatives in circumstances where actual or potential conflicts may arise that could compromise supervision, safety, confidentiality, security, and morale at Legacy Beverage, LLC. It is your obligation to inform the Company of any such potential conflict so the Company can determine how best to respond to the particular situation.

## 3.3 Job Descriptions

Legacy Beverage, LLC attempts to maintain a job description for each position. If you do not have a current copy of your job description, you should request one from your managers/supervisors.

Job descriptions prepared by the Company serve as an outline only. Due to business needs, you may be required to perform job duties that are not within your written job description. Furthermore, the Company may have to revise, add to, or delete from your job duties per business needs. On occasion, the Company may need to revise job descriptions with or without advance notice to employees.

If you have any questions regarding your job description or the scope of your duties, please speak with your managers/supervisors.

## 3.4 New Hires and Introductory Periods

The first [[insert #]] days of your employment is considered an introductory period. During this period, you will become familiar with Legacy Beverage, LLC and your job responsibilities, and we will have the opportunity to monitor the quality and value of your performance and make any necessary adjustments in your job description or responsibilities. Your introductory period with the Company can be shortened or lengthened as deemed appropriate by management and Human Resources. Completion of this introductory period does not imply guaranteed or continued employment. Nothing that occurs during or after this period should be construed to change the nature of the "at-will" employment relationship.

## 3.5 Posting of Openings

Legacy Beverage, LLC desires to promote qualified employees from within where it believes that is possible, consistent with the need to assure that all positions are staffed by highly competent individuals. New job openings generally will be posted on the bulletin board, as well as on our Internet site.

## 3.6 Training Program

In most cases, and for most departments, training employees is done on an individual basis by the department manager. Even if you have had previous experience in the specified functions of your job duties, it is necessary for you to learn our specific procedures, as well as the responsibilities of the specific position. If you ever feel you require additional training, consult your managers/supervisors.

## 3.7 Employment Authorization Verification

New hires will be required to complete Section 1 of federal Form I-9 on the first day of paid employment and must present acceptable documents authorized by the U.S. Citizenship and Immigration Services proving identity and employment authorization no later than the third business day following the start of employment with Legacy Beverage, LLC. If you are currently employed and have not complied with this requirement or if your status has changed, inform your managers/supervisors.

If you are authorized to work in this country for a limited period of time, you will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by the Company.

## 4.0 Wage and Hour Policies

## 4.1 Attendance Policy

If you know ahead of time that you will be absent or late, provide reasonable advance notice to your managers/supervisors. You may be required to provide documentation of any medical or other excuse for being absent or late where permitted by applicable law.

Legacy Beverage, LLC reserves the right to apply unused vacation, sick time, or other paid time off to unauthorized absences where permitted by applicable law. Absences resulting from approved leave, vacation, or legal requirements are exceptions to the policy.

### 4.2 Business Expenses Policy

The purpose of this policy is to define approved nontravel business expenses and the authority for incurring and approving such expenses at Legacy Beverage, LLC.

Approved business expenses are the reasonable and necessary expenses incurred by employees to achieve legitimate business purposes that are not covered by normal Company procurement processes.

#### Business Meetings (Employer-Sponsored Events and Meetings)

The Company pays for expenses necessary to achieve a valid business purpose when meetings are held with customers, vendors, or other Company employees. The most senior Company individual present is to pay for and report all expenses.

The Company will make every effort to have a master account set up for Company-wide and large group events. However, if you are at a small meeting or staying by yourself at a hotel, pay individually and submit for reimbursement accordingly.

#### Entertainment

The Company pays for entertainment expenses only when they clearly benefit the Company and include customers and are promotional in nature. The most senior individual present is to pay for and report all expenses.

#### Technical and Training Seminars

The Company pays for expenses associated with attendance at classes and seminars that enhance jobrelated skills. Prior approval must be obtained by your managers/supervisors.

#### <u>Gifts</u>

You may present gifts only under exceptional circumstances and with prior approval of the appropriate Company officer. The Company does not reimburse cost over \$25 for business gifts.

#### Other Expenses

The Company will pay for postage and telephone expenses that are for business purposes.

#### **Reporting**

Report approved expenses on the standard expense report form and include a description of the expense, its business purpose, date, place, and the participants.

#### 4.3 Direct Deposit

Legacy Beverage, LLC encourages all employees to enroll in direct deposit. If you would like to take advantage of direct deposit, ask Payroll of Human Resources for an application form. Typically, the bank will begin the direct deposit of your payroll within 30 calendar days after you submit your completed application.

If you have selected the direct deposit payroll service, a written explanation of your deductions will be given to you on paydays described in the preceding sections in lieu of a check.

#### 4.4 Introduction to Wage and Hour Policies

At Legacy Beverage, LLC, pay depends on a wide range of factors, including pay scale surveys, individual effort, profits, and market forces. If you have any questions about your compensation, including matters such as paid time off, commissions, overtime, benefits, or paycheck deductions, speak with your supervisor or someone in our human resources or payroll department.

### 4.5 Job Abandonment

If you fail to show up for work or call in with an acceptable reason for the absence for a period of three consecutive days, you will be considered to have abandoned your job and voluntarily resigned from Legacy Beverage, LLC.

## 4.6 Paycheck Deductions

Legacy Beverage, LLC is required by law to make certain deductions from your pay each pay period. This includes 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 managers/supervisors. 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.

## 4.7 Recording Time

Legacy Beverage, LLC is required by applicable federal, state, and local laws to keep accurate records of hours worked by certain employees. To ensure that the Company has complete and accurate time records and that employees are paid for all hours worked, nonexempt employees are required to record all working time using Company [[time cards/time sheets/punch clock/timekeeping application/other]]. Exempt employees may also be required to track days or time worked. Speak with your managers/supervisors for specific instructions.

You must accurately record all of your time to ensure you are paid for all hours worked and must follow established Company procedures for recording your hours worked. Time must be recorded as follows:

- Immediately before starting your shift.
- Immediately after finishing work, before your meal period.
- Immediately before resuming work, after your meal period.
- Immediately after finishing work.
- Immediately before and after any other time away from work.

[[Time sheets/time cards are to be turned in to your managers/supervisors or appropriate department on (date or dates).]]

[[If you are required to clock in, you should clock in no more than five minutes ahead of your start time and clock out no later than five minutes after your quitting time.]]

Notify your managers/supervisors [[or appropriate department]] of any pay discrepancies, unrecorded or misrecorded work hours, or any involuntarily missed meal or break periods.

Falsifying time entries is strictly prohibited. Falsifying time entries includes working "off the clock." If you falsify your own time records, or the time records of co-workers, or if you work off the clock, you will be subject to discipline up to and including termination. Immediately report to [[appropriate department]] any employee, supervisor, or manager who falsifies your time entries or encourages or requires you to falsify your time entries or work off the clock.

### 4.8 Travel Expenses

The purpose of this policy is to define approved business travel expenses and the authority for incurring and approving such expenses at Legacy Beverage, LLC.

Travel expenses are the reasonable and necessary expenses incurred by employees when traveling on approved Legacy Beverage, LLC business trips. Travel is limited to business activities for which other means of communication is inadequate and for which prior approval from your managers/supervisors has been received.

#### <u>Advances</u>

The Company does not generally provide cash travel advances. Normally, you will be expected to use personal credit cards and/or your own cash and submit approved expenses on the standard Expense Report Form.

#### Travel Expenses

The Company pays the actual amounts incurred for appropriate expenses when you are on travel assignments. Examples of typical expenses include the following:

- Airline tickets.
- Meals and lodging.
- Car rental, bus, taxi, parking.
- Telephone and fax.
- Laundry and dry cleaning (trips exceeding one week only, unless emergency).
- Business supplies and services.
- Associated gratuities.
- Other expenses necessary to achieve the business purposes.

#### <u>Air Travel</u>

Use economy or tourist class airfares when traveling on Company business. In addition, private, noncommercial aircraft or chartered aircraft is not to be used, and no more than two Company officers should travel together on the same flight.

Airfares are to be charged to personal credit cards and subsequently submitted for reimbursement on a monthly expense report.

#### <u>Hotels</u>

Neither in-room movies nor refreshment bars are approved Company expenses.

#### Insurance

The Company does not pay for personal travel insurance for employees.

#### Rental Cars

You are to use rental firms having existing relationships with the Company and, where feasible, have negotiated discount rates. Available reasonable transportation is to be used.

#### Personal Vehicles

When using your own vehicle for business purposes, you must maintain insurance coverage as required by law and may not have more than 2 points on your driving record. Travel between your home and primary office is not considered to be business travel. You may not use your personal vehicle for business travel without authorization. Every attempt should be made to utilize the use of courier and delivery services in order to avoid hazard of liability and the time away from work. You will be reimbursed for vehicle use at the

standard IRS mileage rate. The President or General Manager] must authorize any deviation from this policy.

#### <u>Reporting</u>

Report approved expenses and include a description of the expense, its business purpose, date, place, and the participants.

#### Travel Reservations

Airline travel, rental cars, and hotels must be booked through the corporate designated travel agency in order to be reimbursed.

## 4.9 Use of Employer Credit Cards

All employees in the possession of a credit card issued by Legacy Beverage, LLC will adhere to the strictest guidelines of responsibility for the protection and proper use of that card. Credit card purchases related to Company vehicle use (gas, oil, etc.) under \$100 do not require prior approval. Credit card purchases for vehicle use over \$100 and any other business purchases over \$25 must receive prior approval from your managers/supervisors.

Submit all sales receipts generated by use of the Company credit card [[weekly/monthly]] to your managers/supervisors [[or appropriate department]]. Your Company credit card may not be used for personal reasons. Use of the Company credit card is restricted to approved business related expenses.

Any unauthorized purchases made with a credit card issued by the Company will be the cardholder's responsibility. You must reimburse any such purchase to the Company within 30] days.

Immediately report lost or stolen Company cards to your managers/supervisors. Failure to follow this policy may result in disciplinary action up to and including discharge.

## 5.0 Performance, Discipline, Layoff, and Termination

## 5.1 Criminal Activity/Arrests

Legacy Beverage, LLC will report all criminal activity in accordance with applicable law. Involvement in criminal activity while employed by the Company, whether on or off Company property, may result in disciplinary action including suspension or termination of employment.

You are expected to be on the job, ready to work, when scheduled. Inability to report to work as scheduled may lead to disciplinary action, up to and including termination of employment, for violation of an attendance policy or job abandonment.

## 5.2 Exit Interview

You may be asked to participate in an exit interview when you leave Legacy Beverage, LLC. The purpose of the exit interview is to provide management with greater insight into your decision to leave employment; identify any trends requiring attention or opportunities for improvement; and to assist the Company in developing effective recruitment and retention strategies. Your cooperation in the exit interview process is appreciated.

## 5.3 Outside Employment

Outside employment that creates a conflict of interest or that affects the quality or value of your work performance or availability at Legacy Beverage, LLC is prohibited. The Company recognizes that you may seek additional employment during off hours, but in all cases expects that any outside employment will not

affect job performance, work hours, or scheduling, or otherwise adversely affect your ability to effectively perform your duties. Any conflicts should be reported to your managers/supervisors. Failure to adhere to this policy may result in discipline up to and including termination.

## 5.4 Pay Raises

Depending on financial health and other Company factors, efforts will be made to give pay raises consistent with Legacy Beverage, LLC profitability, job performance, and the consumer price index. The Company may also make individual pay raises based on merit or due to a change of job position.

## 5.5 Performance Improvement

Legacy Beverage, LLC will make efforts to periodically review your work performance. The performance improvement process will take place [[annually, biannually, monthly, etc.]], or as business needs dictate. You may specifically request that your managers/supervisors assist you in developing a performance improvement plan at any time.

The performance improvement process is a means for increasing the quality and value of your work performance. Your initiative, effort, attitude, job knowledge, and other factors will be addressed. You must understand that a positive job performance review does not guarantee a pay raise or continued employment. Pay raises and promotions are based on numerous factors, only one of which is job performance.

## 5.6 Post-Employment References

Legacy Beverage, LLC policy is to confirm dates of employment and job title only. With written authorization, the Company will confirm compensation. Forward any requests for employment verification to [[Human Resources or appropriate department]].

## 5.7 Problem Solving Procedures

Legacy Beverage, LLC strives to provide a comfortable, productive, legal, and ethical work environment. To this end, we want you to bring any problems, concerns, or grievances you have about the work place to the attention of your managers/supervisors and, if necessary, to Human Resources or upper level management. To help manage conflict resolution we have instituted the following problem solving procedure:

If you believe there is inappropriate conduct or activity on the part of the Company, management, its employees, vendors, customers, or any other persons or entities related to the Company, bring your concerns to the attention of your managers/supervisors at a time and place that will allow the person to properly listen to your concern. Most problems can be resolved informally through dialogue between you and your immediate managers/supervisors. If you have already brought this matter to the attention of your managers/supervisors before and do not believe you have received a sufficient response, or if you believe that person is the source of the problem, present your concerns to Human Resources or upper level management. Describe the problem, those persons involved in the problem, efforts you have made to resolve the problem, and any suggested solution you may have.

## 5.8 Promotions

To match you with the job for which you are best suited and to meet the business needs of Legacy Beverage, LLC, you may be transferred from your current job. It is our policy to promote from within only when the most qualified candidate is available. Promotions are made on an equal opportunity basis according to employees possessing the needed skills, education, experience, and other qualifications that are required for the job.

All employees promoted into new job positions will undergo a 90-day introductory period as described in

the New Hires and Introductory Periods policy. Unlike new hires, however, such employees will continue to receive Company benefits for which they are eligible.

## 5.9 Standards of Conduct

Legacy Beverage, LLC wishes to create a work environment that promotes job satisfaction, respect, responsibility, integrity, and value for all our employees, clients, customers, and other stakeholders. We all share in the responsibility of improving the quality of our work environment. By deciding to work here, you agree to follow our rules.

While it is impossible to list everything that could be considered misconduct in the workplace, what is outlined here is a list of common-sense infractions that could result in discipline, up to and including immediate termination of employment. This policy is not intended to limit our right to discipline or discharge employees for any reason permitted by law.

Examples of inappropriate conduct include:

- Violation of the policies and procedures set forth in this handbook.
- Possessing, using, distributing, selling, or negotiating the sale of illegal drugs or other controlled substances.
- Being under the influence during working hours on Company property (including in Company vehicles), or on Company business.
- Inaccurate reporting of the hours worked by you or any other employees.
- Providing knowingly inaccurate, incomplete, or misleading information when speaking on behalf of the Company or in the preparation of any employment-related documents including, but not limited to, job applications, personnel files, employment review documents, intra-company communications, or expense records.
- Taking or destroying Company property.
- Possession of potentially hazardous or dangerous property (where not permitted) such as firearms, weapons, chemicals, etc., without prior authorization.
- Fighting with, or harassment of (as defined in our EEO policy), any fellow employee, vendor, or customer.
- Disclosure of Company trade secrets and proprietary and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development information, customer lists, patents, trademarks, etc.) of the Company or its customers, contractors, suppliers, or vendors.
- Refusal or failure to follow directions or to perform a requested or required job task.
- Refusal or failure to follow safety rules and procedures.
- Excessive tardiness or absences.
- Smoking in nondesignated areas.
- Working unauthorized overtime.
- Solicitation of fellow employees on Company premises during working.
- Failure to dress according to Company policy.
- Use of obscene or harassing (as defined by our EEO policy) language in the workplace.
- Engaging in outside employment that interferes with your ability to perform your job at this Company.
- Gambling on Company premises.
- Lending keys or keycards to Company property to unauthorized persons.

Nothing in this policy is intended to limit your rights under the National Labor Relations Act, or to modify the at-will employment status where at-will is not prohibited by state law.

## 5.10 Workforce Reductions (Layoffs)

If necessary based upon business needs, Legacy Beverage, LLC management may decide to implement a reduction in force (RIF). We acknowledge that RIFs can be a trying experience for all involved, and the

Company will make its best effort to make sound business decisions while acknowledging the needs of its workforce.

## 6.0 General Policies

### 6.1 Authorization for Use of Personal Vehicle

All employees required to operate a motor vehicle as part of their employment duties must maintain a valid driver's license, acceptable driving record, and appropriate insurance coverage. Legacy Beverage, LLC may run a motor vehicle department check to determine your driving record. It is your responsibility to provide a copy of your current driver's license and insurance coverage for your personnel file. Any changes in your driving record, including, but not limited to, driving infractions or changes to your insurance policy, must be reported to the Company.

If you use your personal vehicle in the course and scope of employment, you may not operate such vehicle while:

- 1. Under the influence of drugs, alcohol, or any other substance that might impair your judgment or ability to drive; or
- 2. Texting, emailing, or otherwise using a cell phone or other handheld device without utilizing a hands-free device.

## 6.2 Computer Security and Copying of Software

Software programs purchased and provided by Legacy Beverage, LLC are to be used only for creating, researching, and processing materials for Company use. By using Company hardware, software, and networking systems you assume personal responsibility for their use and agree to comply with this policy and other applicable Company policies, as well as city, state, and federal laws and regulations.

All software acquired for or on behalf of the Company, or developed by Company employees or contract personnel on behalf of the Company, is and will be deemed Company property. It is the policy of the Company to respect all computer software rights and to adhere to the terms of all software licenses to which the Company is a party. The [[Director of Information Systems]] is responsible for enforcing these guidelines.

You may not illegally duplicate any licensed software or related documentation. Unauthorized duplication of software may subject you and/or the Company to both civil and criminal penalties under the United States Copyright Act. To purchase software, obtain your manager's approval. All software acquired by the Company must be purchased through [[Information Systems or appropriate department]].

You may not duplicate, copy, or give software to any outsiders including clients, contractors, customers, and others. You may use software on local area networks or on multiple machines only in accordance with applicable license agreements entered into by the Company.

## 6.3 Driving Record

All employees required to operate a motor vehicle as part of their employment duties at Legacy Beverage, LLC must maintain a valid driver's license and acceptable driving record. The Company may run a motor vehicle department check to determine your driving record. It is your responsibility to provide a copy of your current driver's license for your personnel file. Any changes in your driving record, including but not limited to driving infractions, must be reported to the Company.

State law requires all motorists to carry auto liability insurance. It is against the law to drive without insurance. If you use your own vehicle as a part of your employment duties, you must provide management with a current proof of insurance statement or card. New proof of insurance is required every time your policy expires and renews.

### 6.4 Employer Sponsored Social Events

Legacy Beverage, LLC holds periodic social events for employees. Be advised that your attendance at these events is voluntary and does not constitute part of your work-related duties. Any exceptions to this policy must be in writing and signed by a manager/supervisor prior to the event.

Alcoholic beverages may be available at these events. If you choose to drink alcoholic beverages, you must do so in a responsible manner. Do not drink and drive. Instead, please call a taxi or appoint a designated driver.

## 6.5 Employer-Provided Cell Phone/Mobile Device Policy

The purpose of this policy is to provide guidance to departments and employees regarding eligibility for Legacy Beverage, LLC-provided cell phones and plans, and the appropriate use of the phone and plan.

You must have a legitimate business need for a cell phone/mobile device and the issuance of same must be approved by your managers/supervisors. The typical legitimate reasons employees may need a cell phone/mobile device include frequent business travel or for key personnel who must be immediately reachable during an emergency.

When the cell phone/mobile device is used for personal reasons and the activity results in additional cost to the Company, you are responsible for the cost of that usage, including all applicable taxes. Make note of personal calls and reimburse the Company after review of the monthly call detail.

If the cell phone/mobile device has a flat rate airtime/data plan, you are responsible for reimbursing the Company when personal activities cause the plan threshold to be exceeded. With concurrence of an authorized signer on the account, you should determine the amount of personal use that caused the usage to exceed the plan and reimburse the Company for that amount plus all applicable taxes. If you drive a vehicle during your employment, you may not use any cell phone/mobile device or other communication device while driving unless the device is equipped or configured with a "hands-free" listening/speaking option, and you in fact utilize the hands-free device. This option must be approved by your managers/supervisors.

The Company owns and remains entitled to all cell phone/mobile devices, including all passwords controlling access to them. You may not change those passwords except with permission. At the time of employment termination, all such equipment and passwords must be returned to the Company in operable condition.

## 6.6 GPS Monitoring of Employer Vehicles

Legacy Beverage, LLC desires to strike the appropriate balance between today's technologies, your desire for privacy, and our interests in protecting Company vehicles, equipment, and drivers. Due to safety, efficiency, and other business purposes, the Company uses GPS technology to monitor the whereabouts of many of our vehicles at all times.

Questions concerning vehicle monitoring should be directed to the General Manager. Questions concerning the proper use of any vehicles should be directed to your managers/supervisors].

Any employees who abuses the privilege of driving company vehicles will be subject to corrective action, up to and including termination of employment. If necessary, the Company will also advise law enforcement officials of any illegal conduct.

## 6.7 Incentive Programs

Job specific, based on strategy, goals and objectives; data-driven, measurable and reasonably challenging.

## 6.8 Off-Duty Use of Employer Property or Premises

You may not use Legacy Beverage, LLC property for personal use during working time. You are responsible for returning Company property in good condition and repairing or replacing any property damaged as the result of personal use or as the result of negligence. This includes use of copy machines, computers, Company products, or office supplies for personal use without prior authorization.

It is Company policy to control off duty and nonworking hour use of Company facilities either for business or personal reasons. You are prohibited from using Company facilities during off duty or nonworking hours without the written consent of your managers/supervisors. If you use Company facilities during your off-duty hours or Company off-hours, you may be required to sign a log-in and log-out sheet maintained by the Company or building manager.

## 6.9 Open Door Policy

At Legacy Beverage, LLC, we welcome suggestions for continued improvement and welcome your ideas for better ways to do your job, produce or sell the products or services of our Company, or meet customer and client needs. Discuss your ideas with your managers/supervisors or another member of the management team.

We also encourage you to offer any suggestions derived from seminars, magazines, or other outside sources of information you believe would add value to the Company.

Understand that any suggestions, innovations, inventions, or other matter created by you on work time or with Company tools or property are considered to be the property of the Company.

## 6.10 Personal Appearance

Your personal appearance reflects on the reputation, integrity, and public image of Legacy Beverage, LLC. All employees are required to report to work neatly groomed and dressed. You are expected to maintain personal hygiene habits that are generally accepted in the community, including clean clothing, good grooming and personal hygiene, and appropriate attire for the workplace and the work being performed. This may include wearing uniforms or protective safety clothing and equipment, depending upon the job. Use common sense and good judgment in determining what to wear to work.

Fragrant products, including but not limited to perfumes, colognes, and scented body lotions or hair products, should be used in moderation out of concern for others with sensitivities or allergies.

The Company, in accordance with applicable law, will reasonably accommodate employees with disabilities or religious beliefs that make it difficult for them to comply fully with the personal appearance policy unless doing so would impose an undue hardship on the Company. Contact your managers/supervisors to request a reasonable accommodation.

Failure to comply with the personal appearance standards may result in being sent home to groom or change clothes. Frequent violations may result in disciplinary action, up to and including termination of employment.

## 6.11 Personal Cell Phone/Mobile Device Use

While Legacy Beverage, LLC permits employees to bring personal cell phones and other mobile devices (i.e. smart phones, PDAs, tablets, laptops) into the workplace, you must not allow the use of such devices to interfere with your job duties or impact workplace safety and health.

Use of personal cell phones and mobile devices at work can be distracting and disruptive and cause a loss of productivity. Thus, you should primarily use such personal devices during nonworking time, such as breaks and meal periods. During this time, use devices in a manner that is courteous to those around you. Outside of nonworking time, use of such devices should be minimal and limited to emergency use only. If you have a device that has a camera and/or audio/video recording capability, you are restricted from using those functions on Company property unless authorized in advance by management or when they are used in a manner consistent with your right to engage in concerted activity under section 7 of the National Labor Relations Act (NLRA).

You are expected to comply with Company policies regarding the protection of confidential and proprietary information when using personal devices.

While operating a vehicle on work time, the Company requires that the driver's personal cell phone/mobile device be turned off. If you need to make or receive a phone call while driving, pull off the road to a safe location unless you have the correct hands-free equipment for the device that is in compliance with applicable state laws.

You [[may/may not]] connect your personal device to the Company network or to Company equipment (computers, printers, etc.). [[If permitted, describe allowable use and any restrictions.]]

You may have the opportunity to use your personal devices for work purposes. Before using a personal device for work-related purposes, you must obtain written authorization from [[IT, management, human resources, etc.]]. The use of personal devices is limited to certain employees and may be limited based on compatibility of technology. To ensure the security of Company information, [[Set forth security policies related to specific devices, for example, any software requirements (antivirus, firewall, VPN, etc.). Include details on how information will be removed from a device upon termination of employment]]. If you are authorized to use a personal device, you will receive a monthly stipend based on the estimated use of the device. If you obtain or currently have a plan that exceeds the monthly stipend, the Company will not be liable for the cost difference.

Nothing in this policy is intended to prevent employees from engaging in protected concerted activity under the NLRA.

You will be subject to disciplinary action up to and including termination of employment for violation of this policy.

## 6.12 Personal Data Changes

It is your obligation to provide Legacy Beverage, LLC with your current contact information, including current mailing address and telephone number. Inform the Company of any changes to your marital or tax withholding status. Failure to do so may result in loss of benefits or delayed receipt of W-2 and other mailings. To make changes to this information, update on-line in ADP.

## 6.13 Security

All employees are responsible for helping to make Legacy Beverage, LLC a secure work environment. Upon leaving work, lock all desks, lockers, and doors protecting valuable or sensitive material in your work area and report any lost or stolen keys, passes, or similar devices to your managers/supervisors immediately. Refrain from discussing specifics regarding Company security systems, alarms, passwords, etc. with those outside of the Company.

Immediately advise your managers/supervisors of any known or potential security risks and/or suspicious

conduct of employees, customers, or guests of the Company. Safety and security is the responsibility of all employees and we rely on you to help us keep our premises secure.

## 6.14 Social Media Policy

At Legacy Beverage, LLC, we recognize the Internet provides unique opportunities to participate in interactive discussions and share information using a wide variety of social media. However, use of social media also presents certain risks and carries with it certain responsibilities. To minimize risks to the Company, you are expected to follow our guidelines for appropriate use of social media.

This policy applies to all employees who work for the Company.

#### <u>Guidelines</u>

For purposes of this policy, **social media** includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or a chat room, whether associated or affiliated with the Company, as well as any other form of electronic communication.

Company principles, guidelines, and policies apply to online activities just as they apply to other areas of work. Ultimately, you are solely responsible for what you communicate in social media. You may be personally responsible for any litigation that may arise should you make unlawful defamatory, slanderous, or libelous statements against any customer, manager, owner, or employees of the Company.

#### Know and Follow the Rules

Ensure your postings are consistent with these guidelines. Postings that include unlawful discriminatory remarks, harassment, and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

#### Be Respectful

The Company cannot force or mandate respectful and courteous activity by employees on social media during nonworking time. If you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as unlawful, slanderous, threatening, or that might constitute unlawful harassment. Examples of such conduct might include defamatory or slanderous posts meant to harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, age, national origin, religion, veteran status, or any other status or class protected by law or Company policy. Your personal posts and social media activity should not reflect upon or refer to the Company.

#### Maintain Accuracy and Confidentiality

When posting information:

- Maintain the confidentiality of trade secrets, intellectual property, and confidential commerciallysensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the Company.
- Do not create a link from your personal blog, website, or other social networking site to a Company website that identifies you as speaking on behalf of the Company.
- Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, do not represent yourself as speaking on behalf of the Company. Make it clear in your social media activity that you are speaking on your own behalf.
- Respect copyright, trademark, third-party rights, and similar laws and use such protected information in compliance with applicable legal standards.

Using Social Media at Work

Do not use social media while on your work time, unless it is work related as authorized by your manager or consistent with policies that cover equipment owned by the Company.

#### Media Contacts

If you are not authorized to speak on behalf of the Company, do not speak to the media on behalf of the Company. Direct all media inquiries for official Company responses to Human Resources.

#### Retaliation and Your Rights

Retaliation or any other negative action is prohibited against anyone who, based on a reasonable belief, reports a possible deviation from this policy or cooperates in an investigation. Those who retaliate against others for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Nothing in this policy is designed to interfere with, restrain, or prevent employees from communications regarding wages, hours, or other terms and conditions of employment, or to restrain employees in exercising any other right protected by law. All employees have the right to engage in or refrain from such activities.

### 6.15 Third Party Disclosures

From time to time, Legacy Beverage, LLC may become involved in news stories or potential or actual legal proceedings of various kinds. When that happens, lawyers, former employees, newspapers, law enforcement agencies, and other outside persons may contact our employees to obtain information about the incident or the actual or potential lawsuit.

If you receive such a contact, you should not speak on behalf of the Company and should refer any call requesting the position of the Company to [[media contact person]]. If you have any questions about this policy or are not certain what to do when such a contact is made, contact [[media contact person]].

## 6.16 Use of Employer Vehicles

Company vehicles are to be used for Legacy Beverage, LLC business only. Unless the use of the vehicle has been approved for personal use, personal or outside business use is strictly prohibited.

If you drive a Company vehicle, all infractions or violations while driving the vehicle and all restrictions, suspensions, or revocations against your driver's license must be immediately reported to your managers/supervisors.

When a Company vehicle cannot be operated, is unsafe for use, or has been damaged, notify your managers/supervisors immediately.

As the driver of a Company vehicle, you are responsible for the vehicle while in your charge and must not permit unauthorized persons to drive it. You are also responsible for the daily housekeeping of the vehicle; it is to remain clean and uncluttered.

You may not operate a motor vehicle while under the influence of alcohol or a chemical substance or other substance that can impair judgment. You may not operate a motor vehicle while texting, emailing, or otherwise using a cell phone or other handheld device without utilizing a hands-free device.

Multiple driving moving violations that appear on the annual state department of motor vehicle check will result in suspension of rights to drive a Company vehicle or drive a personal vehicle on Company business. Suspension of rights will continue until one year has passed with no infractions. If there are persistent and ongoing problems with driving infractions, and driving a vehicle is a part of successful execution of job responsibilities, you may be terminated.

## 6.17 Workplace Privacy and Right to Inspect

Legacy Beverage, LLC property, including but not limited to lockers, phones, computers, tablets, desks, work place areas, vehicles, or machinery, remains under the control of the Company and is subject to inspection at any time, without notice to any employees, and without their presence.

You should have no expectation of privacy in any of these areas. We assume no responsibility for the loss of, or damage to, your property maintained on Company premises including that kept in lockers and desks.

## 7.0 Benefits

### 7.1 Bereavement Leave

In the event of a death in the immediate family (spouse, children, sister, brother, mother, father, or legal guardian) a full-time employee may use up to 5 available days (40 hours) or will be granted a leave of three (3) days without pay. In addition, the employee may use Paid Sick Leave or any accrued vacation time available to them.

### 7.2 Exempt Personnel

If you are classified as exempt at the time of your hiring, you are not eligible for overtime pay as otherwise required by federal, state, or local laws. If you have a question regarding whether you are exempt or nonexempt, contact your managers/supervisors for clarification.

## 7.3 Holidays

All regular full-time employees will receive eight hours of pay at their normal straight time rate for the following six (6) holidays, subject to the restrictions below:

New Year's Day

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas

In order to be eligible for holiday pay, an employee must work the last scheduled workday prior and the first scheduled workday after the holiday. This does not include approved vacation or an excused absence.

You will be compensated for holidays in accordance with federal and state law.

Employees on leaves of absence for whatever reason will not be eligible for holiday pay.

#### 7.4 Leaves of Absence

#### Medical Leave:

A full time or part time employee who is temporarily unable to perform work due to an illness or injury will be granted a medical leave of absence.

Medical leaves will be granted on the basis of a physician's written statement that an employee is no longer

able to work due to a medical disability. An employee returning from a leave shall be required to provide a physician's statement that indicates that the employee is able to return to full duties. There will be no medical releases for light duty.

Any extension beyond the original leave date requested by the employee may be granted with proper documentation and on an individual basis. Any extension of a leave must be approved by your supervisor or manager. If the extension request exceeds the above stated amount of time, this may be extended as well, on a case by case basis as long as the proper documentation is provided at the time of the request.

#### Personal Leave:

Employees who have been continuously employed for at least one year may request a personal leave of absence without pay for a reasonable period of time, but not to exceed five (5) days. Requests for leaves will be considered on the employee's length of service, performance, responsibility level, the reason for the request, whether other individuals are already out on leave, and the expected impact on the employer=s operations.

Requests must be in writing and must be approved by the immediate supervisor and/or manager. It is the responsibility of the employee to report to work at the end of the approved leave. An employee who fails to report to work on the day after the leave expires will be considered to have voluntarily forfeited their position.

#### **Bereavement Leave:**

In the event of a death in the immediate family (spouse, children, sister, brother, mother, father, or legal guardian) a full time employee may use up to 5 available days (40 hours) or will be granted a leave of three (3) days without pay. The employee may use any Paid Sick Time or accrued vacation pay.

## 7.5 Regular Full-Time Personnel

Regular full-time are those who have completed their introductory period and are regularly scheduled to work more than 32 hours per week. Unless stated otherwise or specifically permitted by law, all the benefits provided to employees at Legacy Beverage are for regular full-time employees only. This includes vacation, AZ Paid Sick Leave, holiday pay, health insurance, and other benefits coverage.

## 7.6 Workers' Compensation Insurance Policy

Workers' compensation is a no-fault system designed to provide benefits to all employees for work-related injuries. Workers' compensation insurance coverage is paid for by employers and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave, and rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job while working at Legacy Beverage, LLC, no matter how slightly, you are to report the incident immediately to your managers/supervisors. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your managers/supervisors immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an accident report. You will be required to submit a medical release before you can return to work.

## 7.7 COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides the opportunity for eligible Legacy Beverage, LLC employees and their beneficiaries to continue health insurance coverage under the Company health plan when a "qualifying event" could result in the loss of eligibility. Qualifying events include resignation, termination of employment, death of an employee, reduction in hours, a leave of absence, divorce or legal separation, entitlement to Medicare, or where a dependent child no longer meets eligibility requirements.

Contact [[Human Resources]] to learn more about your COBRA rights.

## 7.8 Family and Medical Leave (FMLA) Policy

In accordance with the Family and Medical Leave Act of 1993 (FMLA), Legacy Beverage, LLC provides up to 12 or 26 weeks of unpaid, job-protected leave in a 12-month period to covered employees in certain circumstances.

### <u>Eligibility</u>

To qualify for FMLA leave, you must:

- 1. Have worked for the Company for at least 12 months, although it need not be consecutive;
- 2. Worked at least 1,250 hours in the last 12 months; and
- 3. Be employed at a worksite that has 50 or more employees within 75 miles.

#### Leave Entitlement

You may take up to 12 weeks of unpaid FMLA leave in a 12-month period for any of the following reasons:

- The birth of a child and in order to care for that child (leave must be completed within one year of the child's birth);
- The placement of a child with you for adoption or foster care and in order to care for the newly placed child (leave must be completed within one year of the child's placement);
- To care for a spouse, child, or parent with a serious health condition;
- To care for your own serious health condition, which makes you unable to perform any of the essential functions of your position; or
- A qualifying exigency of a spouse, child, or parent who is a military member on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty).

The 12-month period is [[define 12-month period]].

You may take up to 26 weeks of unpaid FMLA leave in a single 12-month period, beginning on the first day that you take FMLA leave to care for a spouse, child, or next of kin who is a covered service member and who has a serious injury or illness related to active duty service.

As used in the policy:

- **Spouse** means a husband or wife as recognized under state law for the purposes of marriage in the state or other territory or country where the marriage took place.
- **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 either under age 18 or age 18 or older and incapable of self-care because of a mental or physical disability at the time FMLA leave is to commence. A child for the purposes of military exigency or military care leave can be of any age.
- **Parent** means a biological, adoptive, step, or foster parent or any other individual who stood in loco parentis to you when you were a child.
- **Next of kin** for the purposes of military care leave is a blood relative other than a spouse, parent, or child in the following order: brothers and sisters, grandparents, aunts and uncles, and first cousins. If a military service member designates in writing another blood relative as his or her caregiver, that individual will be the only next of kin. In appropriate circumstances, you may be required to provide documentation of next of kin status.
- Serious health condition means an illness, injury, impairment, or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider. Ordinarily, unless complications arise, cosmetic treatments and minor conditions such as the cold, flu, ear aches, upset stomach, minor ulcers, headaches (other than migraines), and routine dental problems are

examples of conditions that are not serious health conditions under this policy. If you have any questions about the types of conditions that may qualify, contact Human Resources.

- *Health care provider* means a medical doctor or doctor of osteopathy, physician assistant, podiatrist, dentist, clinical psychologist, optometrist, nurse practitioner, nurse-midwife, clinical social worker, or Christian Science practitioner licensed by the First Church of Christ. Under limited circumstances, a chiropractor or other provider recognized by our group health plan for the purposes of certifying a claim for benefits may also be considered a health care provider.
- **Qualifying exigencies** for military exigency leave include:
  - Short-notice call-ups/deployments of seven days or less (Note: Leave for this exigency is available for up to seven days beginning the date of call-up notice);
  - Attending official ceremonies, programs, or military events;
  - Special child care needs created by a military call-up including making alternative child care arrangements, handling urgent and nonroutine child care situations, arranging for school transfers, or attending school or daycare meetings;
  - Making financial and legal arrangements;
  - Attending counseling sessions for yourself, the military service member, or the military service members' son or daughter who is under 18 years of age or is 18 or older but incapable of self-care because of a mental or physical disability;
  - Rest and recuperation (Note: Fifteen days of leave is available for this exigency per event);
  - Post-deployment activities such as arrival ceremonies, re-integration briefings, and other official ceremonies sponsored by the military (Note: Leave for these events are available for 90 days following the termination of active duty status). This type of leave may also be taken to address circumstances arising from the death of a covered military member while on active duty;
  - Parental care when the military family member is needed to care for a parent who is incapable of self-care (such as arranging for alternative care or transfer to a care facility); and
  - Other exigencies that arise that are agreed to by both the Company and you.
- A *serious injury/illness* incurred by a service member in the line of active duty or that is exacerbated by active duty is any injury or illness that renders the service member unfit to perform the duties of his or her office, grade, rank, or rating.

#### Notice and Leave Request Process

If the need for leave is foreseeable because of an expected birth/adoption or planned medical treatment, you must give at least 30 days' notice. If 30 days' notice is not possible, give notice as soon as practicable (within one or two business days of learning of your need for leave). Failure to provide appropriate notice may result in the delay or denial of leave.

In addition, if you are seeking intermittent or reduced schedule leave that is foreseeable due to planned medical treatment or a series of treatments for yourself, a family member, or covered service member, you must consult with the Company first regarding the dates of this treatment to work out a schedule that best suits your needs or the needs of the covered military member, if applicable, and the Company.

If the need for leave is unforeseeable, provide notice as soon as possible. Normal call-in procedures apply to all absences from work, including those for which leave under this policy may be requested. Failure to provide appropriate notice may result in the delay or denial of leave.

[[If your company has leave request forms, include information here on where employees may obtain these forms.]]

#### Certification of Need for Leave

If you are requesting leave because of your own or a covered relative's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification forms from [[name of appropriate department]]. When you request leave, the Company will notify you of the requirement for medical certification and when it is due (at least 15 days after you request leave). If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may

result in denial of FMLA-covered leave until it is provided.

At our expense, the Company may require an examination by a second health care provider designated by us. If the second health care provider's opinion conflicts with the original medical certification, we, at our expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. Subsequent medical recertification may also be required. Failure to provide requested certification within 15 days, when practicable, may result in delay of further leave until it is provided.

The Company also reserves the right to require certification from a covered military member's health care provider if you are requesting military caregiver leave and certification in connection with military exigency leave.

#### Call-In Procedures

In all instances of absence, the call-in procedures and standards established for giving notice of absence from work must be followed.

#### Leave Increments

#### Intermittent Leave

If medically necessary, FMLA leave for a serious health condition may be taken intermittently (in separate blocks of time due to a serious health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday). FMLA leave may also be taken intermittently or on a reduced leave schedule for a qualifying exigency relating to covered military service.

As FMLA leave is unpaid, the Company will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave that is foreseeable due to planned medical treatments, the Company may temporarily transfer you to an available alternative position that better accommodates your leave schedule and has equivalent pay and benefits.

#### Parental Leave

Leave for the birth or placement of a child must be taken in a single block and cannot be taken on an intermittent or reduced schedule basis. Parental leave must be completed within 12 months of the birth or placement of the child; however, you may use parental leave before the placement of an adopted or foster child to consult with attorneys, appear in court, attend counseling sessions, etc.

#### Family Care, Personal Medical, Military Exigency, and Military Care Leave

Leave taken for these reasons may be taken in a block or blocks of time. In addition, if a health care provider deems it necessary or if the nature of a qualifying exigency requires, leave for these reasons can be taken on an intermittent or reduced-schedule basis.

#### Paid Leave Utilization During FMLA Leave

FMLA leave is unpaid. If you are taking parental, family care, military exigency, and/or military care leave, you must utilize available vacation/PTO, personal days, and/or family illness days during this leave. If you are taking personal medical leave, you must utilize available sick, personal, and vacation/PTO days during this leave. If you are receiving short- or long-term disability or workers' compensation benefits during a personal medical leave, you will not be required to utilize these benefits. However, you may elect to utilize accrued benefits to supplement these benefits.

#### Fitness for Duty Requirements

If you take leave because of your own serious health condition (except if you are taking intermittent leave), you are required, as are all employees returning from other types of medical leave, to provide medical certification that you are fit to resume work. You will not be permitted to resume work until it is provided.

#### Health Insurance

Your health insurance coverage will be maintained by the Company during leave on the same basis as if you were still working. You must continue to make timely payments of your share of the premiums for such coverage. Failure to pay premiums within 30 days of when they are due may result in a lapse of coverage. If this occurs, you will be notified 15 days before the date coverage will lapse that coverage will terminate unless payments are promptly made.

Alternatively, at our option, the Company may pay your share of the premiums during the leave and recover the costs of this insurance upon your return to work. Coverage that lapses due to nonpayment of premiums will be reinstated immediately upon return to work without a waiting period. Under most circumstances, if you do not return to work at the end of leave, the Company may require reimbursement for the health insurance premiums paid during the leave.

#### **Reinstatement**

Upon returning to work at the end of leave, you will generally be placed in your original job or an equivalent job with equivalent pay and benefits. You will not lose any benefits that accrued before leave was taken.

#### Spouse Aggregation

If you and your spouse are both employed by the Company, the total number of weeks to which you are both entitled in the aggregate because of the birth or placement of a child or to care for a parent with a serious health condition will be limited to 12 weeks per leave year. Similarly, spouses employed by the Company will be limited to a combined total of 26 weeks of leave to care for a military service member. This 26-week leave period will be reduced, however, by the amount of leave taken for other qualifying FMLA events. This type of leave aggregation does not apply to leave needed for your own serious health condition, to care for a spouse or child with a serious health condition, or because of a qualifying exigency.

#### Failure to Return

If you fail to return to work or fail to make a request for an extension of leave prior to the expiration of the leave, you will be deemed to have voluntarily terminated your employment. The Company is not required to grant requests for open-ended leaves with no reasonable return date under these policies or as disability accommodations.

#### Alternative Employment

While on leave of absence, 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.

#### Interaction with State and Local Laws

Where state or local family and medical leave laws offer more protections or benefits to employees, the protections or benefits that are more favorable to the employee, as provided by these laws, will apply.

#### Abuse of Leave

If you are found to have provided a false reason for a leave, you will be subject to disciplinary action up to and including termination.

#### Designation of Leave

If the Company becomes aware of any qualifying reason for FMLA leave, the Company will designate it as such. An employee may not refuse FMLA designation under this policy.

#### **Retaliation**

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

## 7.9 Military Leave (USERRA)

Legacy Beverage, LLC complies with applicable federal and state law regarding military leave and reemployment rights. Unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and all applicable state law. You must submit documentation of the need for leave to [[Human Resources or appropriate department]]. When returning from military leave of absence, you will be reinstated to your previous position or a similar position, in accordance with state and federal law. You must notify your managers/supervisors of your intent to return to employment based on requirements of the law. For more information regarding status, compensation, benefits, and reinstatement upon return from military leave, contact [[Human Resources or appropriate department]].

## 8.0 Safety and Loss Prevention

## 8.1 General Safety Policy

It is the responsibility of all Legacy Beverage, LLC employees to maintain a healthy and safe work environment. Report all safety hazards and occupational illnesses or injuries to your managers/supervisors as soon as reasonably possible and complete an occupational illness or injury form as needed. Failure to follow the Company health and safety rules may result in disciplinary action, up to and including termination of employment.

## 8.2 Policy Against Workplace Violence

As the safety and security of our employees, vendors, contractors, and the general public is in the best interests of Legacy Beverage, LLC, we are committed to working with our employees to provide a work environment free from violence, intimidation, and other disruptive behavior.

#### Zero Tolerance Policy

The Company has a zero tolerance policy regarding workplace violence and will not tolerate acts or threats of violence, harassment, intimidation, and other disruptive behavior, either physical or verbal, that occurs in the workplace or other areas. This applies to management, co-workers, employees, and non-employees such as contractors, customers, and visitors.

Workplace violence can include oral or written statements, gestures, or expressions that communicate a direct or indirect threat of physical harm, damage to property, or any intentional behavior that may cause a person to feel threatened.

#### Prohibited Conduct

Prohibited conduct includes, but is not limited to:

- Physically injuring another person.
- Threatening to injure a person or damage property by any means, including verbal, written, direct, indirect, or electronic means.
- Taking any action to place a person in reasonable fear of imminent harm or offensive contact.
- Possessing, brandishing, or using a firearm on Company property or while performing Company business except as permitted by state law.
- Violating a restraining order, order of protection, injunction against harassment, or other court order.

#### **Reporting Incidents of Violence**

Report to your managers/supervisors [[or appropriate department]], in accordance with this policy, any behavior that compromises our ability to maintain a safe work environment. All reports will be investigated immediately and kept confidential, except where there is a legitimate need to know. You are expected to cooperate in any investigation of workplace violence.

#### **Violations**

Violating this policy may subject you to criminal charges as well as discipline up to and including immediate termination of employment.

#### **Retaliation**

Victims and witnesses of workplace violence will not be retaliated against in any manner. In addition, you will not be subject to discipline for, based on a reasonable belief, reporting a threat or for cooperating in an investigation.

If you initiate, participate, are involved in retaliation, or obstruct an investigation into conduct prohibited by this policy, you will be subject to discipline up to and including termination.

If you believe you have been wrongfully retaliated against, immediately report the matter to [[Human Resources]].

## 9.0 Trade Secrets and Inventions

### 9.1 Confidentiality and Nondisclosure of Trade Secrets

As a condition of employment, Legacy Beverage, LLC employees are required to protect the confidentiality of Company trade secrets, proprietary information, and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the Company. Access to this information should be limited to a "need to know" basis and should not be used for personal benefit, disclosed, or released without prior authorization from management. If you have information that leads you to suspect that employees or competitors are obtaining such information, you are required to inform your managers/supervisors or [[Human Resources or appropriate department]].

Violation of this policy may result in discipline or termination, and may subject the violator to civil liability.

## 10.0 Customer Relations

#### 10.1 Customer, Client, and Visitor Relations

Legacy Beverage, LLC strives to provide the best products and services possible to our customers and clients. Our customers and clients support this business and generate your wages. You are expected to treat every customer, client, or visitor with the utmost respect and courtesy during your working time. You should never argue or act in a disrespectful manner towards a visitor or customer during your working time. If you are having problems with a customer, client, or visitor, notify your managers/supervisors immediately. If a customer, client, or visitor voices a suggestion, complaint, or concern regarding our products or services, inform your managers/supervisors or a member of management. Lastly, make every effort to be prompt in following up on customer, client, or visitor orders or questions. Positive customer, client, and visitor relations will go a long way to establishing our Company as a leader in its field.

## 10.2 Products and Services Knowledge

As a representative of Legacy Beverage, LLC, you are expected to be familiar with the products and services we offer. Take every opportunity to learn the interrelationship between your department or division and the others of the Company. We consider our employees to be the best reflection of our business brand and company success.

## Arizona Policies

## **Introductory Language and Policies**

### **Revisions to Handbook**

This handbook is our attempt to keep you informed of the terms and conditions of your employment, including Legacy Beverage, LLC policies and procedures. The handbook is not a contract. The Company reserves the right to revise, add, or delete from this handbook as we determine to be in our best interest, except the policy concerning at-will employment. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.

## **Hiring and Orientation Policies**

#### **Disability Accommodation**

Legacy Beverage, LLC 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 managers/supervisors. 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.

## **EEO Statement and Nonharassment Policy**

#### Equal Opportunity Statement

Legacy Beverage, LLC is committed to the principles of equal employment. We are committed to complying with all federal, state, and local laws providing equal employment opportunities, and all other employment laws and regulations. It is our intent to maintain a work environment that is free of harassment, discrimination, or retaliation because of 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. The Company is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment.

The Company will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, or retaliation, or any violation of the Equal Employment Opportunity Policy in a confidential manner. The Company will take appropriate corrective action, if and where warranted. The Company prohibits retaliation against employees who provide information about, complain about, or assist in the investigation of any complaint of discrimination or violation of the Equal Employment Opportunity Policy.

We are all responsible for upholding this policy. You may discuss questions regarding equal employment opportunity with your managers/supervisors or any other designated member of management.

#### Policy Against Workplace Harassment

Legacy Beverage, LLC 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.

#### <u>Sexual Harassment</u>

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment; (2) submission to, or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

While it is not possible to identify every act that constitutes or may constitute sexual harassment, the following are some examples of sexual harassment:

- Unwelcome requests for sexual favors;
- Lewd or derogatory comments or jokes;
- Comments regarding sexual behavior or the body of another;
- Sexual innuendo and other vocal activity such as catcalls or whistles;
- Obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual nature;
- Repeated requests for dates after being informed that interest is unwelcome;
- Retaliating against another for refusing a sexual advance or reporting an incident of possible sexual harassment to the Company or any government agency;
- Offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; and
- Any unwanted physical touching or assaults or blocking or impeding movements.

#### Other Harassment

Other workplace harassment is verbal or physical conduct that insults or shows hostility or aversion toward an individual because of the 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.

Again, while it is not possible to list all the circumstances that may constitute other forms of workplace harassment, the following are some examples of conduct that may constitute workplace harassment:

- The use of disparaging or abusive words or phrases, slurs, negative stereotyping, or threatening, intimidating, or hostile acts that relate to the above protected categories;
- Written or graphic material that insults, stereotypes, or shows aversion or hostility toward an
  individual or group because of one of the above protected categories and that is placed on walls,
  bulletin boards, email, voicemail, or elsewhere on our premises, or circulated in the workplace; and
- A display of symbols, slogans, or items that are associated with hate or intolerance toward any select group.

#### Reporting Discrimination and Harassment

If you feel that you have witnessed or have been subjected to any form of discrimination or harassment, immediately notify [[name, title, phone number, email]] or any member of management.

The Company prohibits retaliation against employees who, based on a reasonable belief, provide information about, complain, or assist in the investigation of any complaint of harassment or discrimination.

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 Company determines that harassment or discrimination occurred, corrective action will be taken to effectively end the harassment. As necessary, the Company may monitor any incident of harassment or discrimination to assure the inappropriate behavior has stopped. In all cases, the Company will follow up as necessary to ensure that no individual is retaliated against for making a complaint or cooperating with an investigation.

#### **Religious Accommodation**

Legacy Beverage, LLC 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 managers/supervisors [[or appropriate department]].

## Wage and Hour Policies

#### **Meal and Rest Periods**

Legacy Beverage, LLC 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 managers/supervisors regarding procedures and schedules for rest and meal breaks. 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 managers/supervisors know; in addition, notify your

managers/supervisors as soon as possible if you were unable to or prohibited from taking a meal or rest period.

### Overtime

If you are nonexempt, you may qualify for overtime pay. All overtime must be approved in advance, in writing, by your managers/supervisors.

At certain times Legacy Beverage, LLC may require you to work overtime. We will attempt to give as much notice as possible in this instance. However, advance notice may not always be possible. Failure to work overtime when requested or working unauthorized overtime may result in discipline, up to and including discharge.

Unless otherwise required or exempted by law, overtime pay of one and one-half times your regular rate of pay is paid for any hours worked in excess of 40 hours in a workweek. Holidays, vacation days, and sick leave days do not count as time worked for computing overtime.

### Pay Period

At Legacy Beverage, LLC, the standard pay period is biweekly for all employees. Pay dates are on Thursday. If a pay period falls on a holiday, you will be paid on the preceding workday. Special provisions may be required from time to time if holidays fall on pay dates. Check with your managers/supervisors if this type of date arises.

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

## Performance, Discipline, Layoff, and Termination

#### **Disciplinary Process**

Violation of Legacy Beverage, LLC policies or procedures may result in disciplinary action including demotion, transfer, leave without pay, or termination of employment. The Company encourages a system of progressive discipline depending on the type of prohibited conduct. However, the Company is not required to engage in progressive discipline and may discipline or terminate employees who violate the rules of conduct, or where the quality or value of their work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at-will" basis.

In appropriate circumstances, management will first provide you with a verbal warning, then with one or more written warnings, and if the conduct is not sufficiently altered, eventual demotion, transfer, forced leave, or termination of employment. Your managers/supervisors will make every effort possible to allow you to respond to any disciplinary action taken. Understand that while the Company is concerned with consistent enforcement of our policies, we are not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, you may be disciplined or terminated without any prior warning or procedure.

## **General Policies**

## Access to Personnel and Medical Records Files

Legacy Beverage, LLC maintains separate medical records files and personnel files for all employees. Files containing medical records are stored separate and apart from any business-related records in a safe, locked, inaccessible location. The medical file is the repository for sensitive and confidential information related to an individual's health, health benefits, health-related leave and/or accommodations, and benefits

selections and coverage. Medical records are kept confidential in compliance with applicable laws and access is on a "need-to-know" basis only.

Supervisors and others in management may have access to your personnel file for possible employmentrelated decisions. If you wish to review your personnel or medical records file, you must give the Company reasonable notice. Inspection must occur in the presence of a Company representative.

All requests by an outside party for information contained in your personnel file will be directed to the [[appropriate department]], which is the only department authorized to give out such information.

### **Payroll Advances and Loans**

Insert your policy regarding [[payroll advances and loans]] here.

#### Voicemail, Email, and Internet Policy

This Voicemail/Email/Internet Policy is intended to provide Legacy Beverage, LLC employees with the guidelines associated with the use of the voicemail/email/Internet system (the system). This policy applies to all employees and any others accessing and/or using the system through onsite or remote terminals.

#### General Provisions

- The system, and all data transmitted or received through the system, is the exclusive property of the Company. You should not have any expectation of privacy in any communication over this system. If you are permitted to have access to the system, you will be given a voicemail, email, and/or Internet address and/or access code and will have use of the system consistent with this policy.
- The Company reserves the right to monitor, intercept, and/or review all data transmitted, received, or downloaded over the system. Any individual who is given access to the system is hereby given notice that the Company will exercise this right periodically, without prior notice and without the prior consent.
- The interests of the Company in monitoring and intercepting data include, but are not limited to: protection of Company trade secrets, proprietary, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.); managing the use of the computer system; and/or assisting employees in the management of electronic data during periods of absence.
- You should not interpret the use of password protection as creating a right or expectation of privacy. To protect everyone involved, no one can have a right or expectation of privacy regarding the receipt, transmission, or storage of data on the Company voicemail/email/Internet system.

Any employees who violate this policy will be subject to corrective action, up to and including termination of employment. If necessary, the Company will also advise law enforcement officials of any illegal conduct.

## Benefits

#### **Crime Victim Leave**

Legacy Beverage, LLC is committed to providing victim's leave to eligible employees in accordance with Arizona's victim leave law (Ariz. Rev. Stat. § 13-4439; § 8-420). This law authorizes employees who are victims of crimes to leave work to exercise the right to be present at legal proceedings related to the crime.

#### A victim is:

- A person against whom the criminal offense has been committed; or
- If the person is killed or incapacitated, the person's immediate family (victim's spouse, parent, child, sibling, grandparent, or lawful guardian) or other lawful representative (person who is designated by

the victim or appointed by the court and who acts in the best interests of the victim), except if the person is in custody for an offense or is the accused.

#### Legal proceedings include:

- Initial appearances and detention hearings.
- Post-conviction release proceedings.
- Plea negotiations and sentencing.
- Disposition and pre-disposition proceedings.
- Probation modification, revocation, disposition, or termination proceedings.
- Re-examination proceedings.
- Order of protection (an injunction against harassment or any other injunctive relief to help ensure the health, safety, or welfare of the victim or the victim's child).

Prior to taking leave, you must provide your managers/supervisors with a copy of the notice of each scheduled proceeding that is provided by the agency responsible for providing notice, a court order to which you are subject, or any other proper documentation, unless advance notice is not feasible. If advance notice is not feasible, you must provide appropriate documentation within a reasonable time after the absence.

The Company will keep all records related to your leave confidential.

The leave provided to attend proceedings is unpaid; however, you may choose to use accrued benefits, such as existing vacation time, sick time, personal leave time, or other accrued paid time off.

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

### Health Insurance

Legacy Beverage, LLC provides its regular full-time employees who have completed [[90 days]] of employment with health insurance. [[You have the option of dependent coverage at your own expense.]] Medical plan benefits for eligible employees [[and their dependents]] are described in detail in the Summary Plan Description (SPD) that is available to all eligible employees. These benefits may be canceled or changed at the discretion of the Company, unless otherwise required by law.

FMLA Subpolicy: Health benefits during Family and Medical Leave Act (FMLA) leave are maintained by the Company on the same terms as if you continued to work. You must make arrangements to pay your share of the health insurance premium on a monthly basis to maintain insurance coverage. Contact [the Payroll Department] to determine your contribution amount. The obligation of Company to maintain health benefits stops when:

- You inform the Company of your intent not to return to work at the end of the leave period; or
- You fail to return to work when the FMLA entitlement is exhausted; or
- You fail to timely make your premium payments.

The Company will be entitled to recover premiums paid to maintain health insurance coverage for you if you fail to return to work from leave.

Plan eligibility does not necessarily mean coverage for all medical treatments or procedures. Under changed circumstances, you may be responsible for contributing to the cost of increased premiums. This benefit, as well as other benefits, may be canceled or changed at the discretion of the Company, unless otherwise required by law.]]

COBRA Subpolicy: If you or a dependent become ineligible for benefits due to a change in work hours or through a life event, or you leave employment with us, you may have the right to continue your medical benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The Company will mail you information about your COBRA rights.

### Jury Duty Leave

Legacy Beverage, LLC encourages employees to fulfill their civic duties related to jury duty. If you are summoned for jury duty, notify your managers/supervisors 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 accrued vacation pay 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.

### Paid Sick Leave - Accrual Method (15 or More EE in Arizona)

Legacy Beverage, LLC provides paid sick time in accordance with Arizona's Fair Wages and Healthy Families Act.

#### <u>Eligibility</u>

All Arizona employees are eligible for paid sick time.

#### Accrual of Leave and Usage

At the commencement of employment, you will accrue one hour of paid sick time for every 30 hours worked. Those employees who are exempt from the federal Fair Labor Standards Act's overtime requirements (e.g., salaried exempt managers, professionals, administrative personnel, or outside salespeople) are presumed to work 40 hours per week for accrual purposes, except for weeks in which they work less than 40 hours, in which case their paid sick time accrues based on the actual number of hours worked.

You may only accrue or use 40 hours of paid sick time per year and may use accrued paid sick time 90 days after the start of employment.

Paid sick time may be used for the following purposes:

- To care for your own mental or physical illness, injury, or health condition; need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or need for preventive medical care.
- To care for a family member's mental or physical illness, injury, or health condition; need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or need for preventive medical care.
- A public health emergency that causes your place of work to close, or your child's school or daycare to close.
- Absences due to domestic violence, sexual violence, abuse, or stalking.

#### Family members include:

- Your children of any age (including biological, adopted, or foster children, legal wards, children of a domestic partner, or children for whom you stand in loco parentis).
- Your parents or your spouse or domestic partner's parents (including biological, foster, stepparents, adoptive parents or legal guardians, including persons who stood in loco parentis when you, or your spouse or domestic partner, was a minor child).
- Your spouse or domestic partner.
- Your or your spouse or domestic partner's grandparents, grandchildren, or siblings (including foster, adoptive, or step relationships).

• Any other individual related to you by blood or affinity whose close association is the equivalent of a family relationship.

#### <u>Notice</u>

If the need for paid sick time is foreseeable, you must make a good faith effort to provide advance notice and schedule the leave in a manner that does not unduly disrupt business operations. Where the need for leave is unforeseeable, provide notice as soon as practicable. A request to use paid sick time may be made verbally, in writing, or by electronic means. The request must include the expected duration of the absence.

Where paid sick time is used on three or more consecutive work days, the Company may require reasonable documentation that the paid sick time was used for purposes permitted by Arizona law.

Reasonable documentation includes documentation signed by a health care professional indicating that the paid sick time is necessary. In the case of domestic violence, sexual violence, abuse, or stalking, the following documents are considered reasonable:

- A police report indicating that you or your family member was a victim of domestic violence, sexual violence, abuse, or stalking.
- A protective order, injunction against harassment, general court order, or other evidence from a court or prosecuting attorney that you or your family member appeared, or is scheduled to appear, in court in connection with an incident of domestic violence, sexual violence, abuse, or stalking.
- A signed statement from a domestic violence or sexual violence program, or victim services organization, affirming that you or your family member is receiving services related to domestic violence, sexual violence, abuse, or stalking.
- A signed statement from a witness advocate affirming that you or your family member is receiving services related to domestic violence, sexual violence, abuse, or stalking.
- A signed statement from an attorney, member of the clergy, or a medical or other professional affirming that you or your family member is receiving services related to domestic violence, sexual violence, abuse, or stalking.
- A legible, written statement by you concerning you or your family member's status as a victim of domestic violence, sexual violence, abuse, or stalking that signals your identity and (if applicable) relationship to the family member.

#### Payment upon Termination

You will not be paid for any unused paid sick leave when your employment ends.

#### Reinstatement of Sick Leave upon Rehire

The Company will reinstate previously accrued, unused paid sick leave if you separate and are rehired within nine months.

#### **Retaliation**

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

#### **Complaints**

You have a right to file a complaint if earned paid sick leave time as required by law is denied or you are subjected to retaliation. You are encouraged to notify the Company if you feel your rights have been violated. You may also contact, and file a complaint with, the Industrial Commission of Arizona at P.O. Box 19070, Phoenix, AZ 85005.

## Vacation Policy

#### Vacation:

The employer provides paid vacation benefits to eligible employees to give a period of rest and relaxation

away from work. This is not a right, but a benefit, that the employer wishes to allow. The following schedule will be followed by eligible employees:

Vacation is paid to regular full-time Legacy Beverage, LLC employees as follows:

5 days after one (1) year of continuous employment

10 days after two (2) years of continuous employment

15 days after five (5) years of continuous employment, and thereafter.

The benefit period will consist of a twelve-month period, starting from an employee's date of hire and each anniversary of that date thereafter.

Vacation is compensated at the employee's normal straight time rate of pay.

Vacation benefits will not be carried forward from one year to the next without prior management approval.

Vacation benefits can be used at any time with advance written notice and approval from your supervisor. However, scheduling of vacations will be made on the company's operational needs and requests of other employees with greater seniority. Please note that because the nature of our work, we work summer holidays and time off during these holidays will be approved only under special circumstances.

All unused accrued vacation benefits shall be paid upon termination of employment. Vacation benefits will not accrue while an employee is on leave of absence. If an employee leaves the company and has taken any vacation in advance of it being earned, the unearned vacation will be deducted from the employee's final paycheck.

### Voting Leave

If your work schedule prevents you from voting on Election Day, Legacy Beverage, LLC will allow you a reasonable time off to vote. The time when you can go to vote will be at the discretion of your managers/supervisors, consistent with applicable legal requirements. The time will be paid if it otherwise would have been work time.

## **Safety and Loss Prevention**

#### **Nonsmoking Policy**

Legacy Beverage, LLC is concerned about the effect that smoking and secondhand smoke inhalation can have on its employees and clients. Smoking in the office, client areas, and restrooms is prohibited.

## **Trade Secrets and Inventions**

#### Inventions

Any invention created, in whole or in part, during your work hours, or from the use of equipment or facilities belonging to Legacy Beverage, LLC, is a "work for hire" and is the property of the Company.

If you intend to develop and maintain property rights to any invention that relates in any way to products or services of the Company, you are required to obtain a written waiver of this policy, signed by both you and the President.

## **Closing Statement**

Thank you for reading our handbook. We hope it has provided you with an understanding of our mission, history, and structure as well as our current policies and guidelines. We look forward to working with you to create a successful Company and a safe, productive, and pleasant workplace.

Christian Otzen, President

Legacy Beverage, LLC

## Acknowledgment of Receipt and Review

By signing below, I acknowledge that I have received a copy of the Legacy Beverage, LLC Employee Handbook (handbook) and that I have read it, understand it, and agree to comply with it. I understand that the Company has the maximum discretion permitted by law to interpret, administer, change, modify, or delete the rules, regulations, procedures, and benefits contained in the handbook at any time [[with or without notice]]. No statement or representation by a supervisor, manager, or any other employee, whether oral or written, can supplement or modify this handbook. Changes can only be made if approved in writing by the [[position or title]] of the Company. I also understand that any delay or failure by the Company to enforce any rule, regulation, or procedure contained in the handbook does not constitute a waiver on behalf of the Company or effect the right of the Company to enforce such rule, regulation, or procedure in the future.

I understand that neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. I further understand that, unless I have a written employment agreement signed by an authorized Company representative, I am employed "at-will" (to the extent permitted by law) and this handbook does not modify my "at-will" employment status.

If I am covered by a written employment agreement (signed by an authorized Company representative) or a collective-bargaining agreement that conflicts with the terms of this handbook, I understand that the terms of the employment agreement or collective-bargaining agreement will control.

This handbook is not intended to preclude or dissuade employees from engaging in legally protected activities under the National Labor Relations Act (NLRA).

This handbook supersedes any previous handbook or policy statements, whether written or oral, issued by Legacy Beverage, LLC.

If I have any questions about the content or interpretation of this handbook, I will contact Human Resources.