

ARS FRESNO, LLC EMPLOYEE HANDBOOK
FINAL REVISION September 21, 2018
DEPARTMENT OF HUMAN RESOURCES

ARS FRESNO, LLC EMPLOYEE HANDBOOK



ARS FRESNO, LLC EMPLOYEE HANDBOOK

2780 Gateway Road
Carlsbad, CA 92009
760.607.4511

ARS FRESNO EMPLOYEE HANDBOOK
FINAL REVISION September 21, 2018
DEPARTMENT OF HUMAN RESOURCES

TABLE OF CONTENTS

FOREWORD..... 5
RECEIPT FOR EMPLOYEE HANDBOOK 6
INTRODUCTION 7
040 INTRODUCTORY STATEMENT 7
045 CUSTOMER RELATIONS 7
EMPLOYMENT..... 8
101 NATURE OF EMPLOYMENT 8
102 NON-DISCRIMINATION AND ANTI-HARASSMENT POLICY 8
103 EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT 9
104 CONFLICT OF INTEREST/CODE OF ETHICS 10
105 PERSONAL RELATIONSHIPS IN THE WORKPLACE 10
106 COMPLAINT PROCEDURE 11
107 IMMIGRATION LAW COMPLIANCE 12
108 AMERICANS WITH DISABILITIES ACT POLICY STATEMENT..... 12
110 CONFLICT OF INTEREST AND OUTSIDE EMPLOYMENT STATEMENT 13
111 CONFIDENTIAL NATURE OF WORK 14
112 CUSTOMER CONFIDENTIALITY AND PRIVACY 15
180 EMPLOYMENT OF MINORS..... 15
181 ARBITRATION & MEDIATION AGREEMENT 16
EMPLOYMENT STATUS & RECORDS..... 19
201 EMPLOYEE CATEGORIES 19
 Job Class.....18
 Exempt/NonExempt..... 19
 Part time/Full Time/Variable
202 ACCESS TO PERSONNEL FILES 20
203 REFERENCE CHECKS..... 21
204 PERSONNEL RECORDS..... 21
205 INITIAL EMPLOYMENT PERIOD 21
208 EMPLOYMENT APPLICATIONS 22
209 PROFESSIONAL PERFORMANCE MANAGEMENT..... 22
210 PAY INCREASES..... 23

212 STATEMENT OF EARNING 23

EMPLOYEE BENEFIT PROGRAMS..... 24

301 HEALTH INSURANCE 24

302 BENEFIT ELIGIBILITY 24

303 VACATION 24

304 STATE DISABILITY INSURANCE..... 25

305 HOLIDAYS 25

306 WORKERS' COMPENSATION INSURANCE..... 25

307 SICK DAYS 26

308 TIME OFF TO VOTING..... 26

309 UNEMPLOYMENT INSURANCE..... 26

310 UNIFORMS..... 26

311 JURY DUTY 27

315 CONTINUED EDUCATION CONFERENCES 27

381 EMPLOYEE DISCOUNT..... 28

382 STORE PARTIES & RECREATIONAL ACTIVITIES..... 28

TIMEKEEPING & PAYROLL..... 29

401 TIME RECORDS 29

402 MEAL PERIOD BREAK..... 29

403 REST BREAKS..... 29

404 PAYROLL PAY DAY 29

405 TERMINATION OF EMPLOYMENT..... 30

408 PAY ADVANCES..... 30

409 ADMINISTRATIVE PAY CORRECTIONS 30

480 COMPENSATION 31

481 SALARY CONFIDENTIALITY 31

WORK CONDITIONS..... 32

504 PERSONAL TELEPHONE CALLS 32

507 OVERTIME PAY..... 32

508 USE OF EQUIPMENT AND VEHICLES..... 32

510 EMERGENCY CLOSING 33

512 BUSINESS TRAVEL EXPESNES 33

516	COMPUTER AND EMAIL USAGE.....	34
517	INTERNET USAGE	34
518	WORKPLACE MONITORING.....	36
522	WORKPLACE VIOLENCE PREVENTION	36
580	MISCELLANEOUS DAYS OFF	37
581	WORKING FROM HOME.....	37
582	EMPLOYEE PARKING	37
583	PERSONAL PROPERTY	37
584	CARE OF EQUIPMENT	38
585	LOST AND FOUND	38
586	PASSWORDS	38
587	KEY ISSUANCE.....	39
588	IDENTIFICATION BADGES	39
	LEAVE OF ABSENCES.....	39
600	LEAVE OF ABSENCES.....	39
601	MEDICAL LEAVE	40
603	BEREAVEMENT LEAVE	40
607	PREGNANCY DISABILITY LEAVE (PDL).....	41
	Employee Eligibility.....	41
	Leave Entitlement	41
	Supplementing Unpaid Leave.....	41
	Maintenance of Health Benefits.....	41
	Intermittent and Reduced Schedule Leave	41
	Leave Notice.....	42
	Medical Certification for a Serious Health Condition	42
	Returning to Work	42
608	MILITARY LEAVE.....	42
609	WITNESS LEAVE.....	42
610	SCHOOL VISITATION.....	43
611	DOMESTIC VIOLENCE LEAVE.....	43
612	VICTIMS OF CRIME LEAVE	43
613	PAID FAMILY LEAVE (PFL)	44
	EMPLOYEE STANDARD CODE OF CONDUCT.....	45
701	STANDARDS OF CONDUCT	45
704	ATTENDANCE AND PUNCTUALITY.....	45

705 DRESS POLICY 45

706 PERSONAL HYGIENE..... 46

707 CONFIDENTIALITY 46

708 IF YOU MUST LEAVE US..... 47

712 SOLICITATION..... 47

716 CORRECTIVE ACTION & PROBLEM RESOLUTION 48

722 WORKPLACE ETIQUETTE..... 48

776 PROTECTING CUSTOMER AND STORE OPERATIONS INFORMATION 48

778 CARE OF CUSTOMER RECORDS 48

779 CONFIDENTIAL BUSINESS NONDISCLOSURE..... 49

781 GRATUITIES AND GIFTS 49

784 ON-THE-JOB TRAINING..... 49

SAFETY IN THE WORKPLACE 50

801 EACH EMPLOYEE'S RESPONSIBILITY 50

802 CHEMICAL EXPOSURE CONTROL..... 50

803 OPERATOR A, B, C, CERTIFICATION REQUIREMENTS 51

804 WORKPLACE SEARCHES 51

805 WORKPLACE VIOLENCE 51

806 HAZARD COMMUNICATION..... 52

807 GOOD HOUSEKEEPING 52

808 SMOKING IN THE WORKPLACE..... 52

809 IN AN EMERGENCY 52

810 SUBSTANCE ABUSE..... 53

RECEIPT OF EMPLOYEE HANDBOOK AND EMPLOYMENT-AT-WILL STATEMENT..... 54

FOREWORD

Whether you have just joined our staff or have been at ARS FRESNO- Porters of ARS FRESNO LLC, for a while, we are confident that you will find our company a dynamic and rewarding place in which to work. We consider the employees of ARS FRESNO LLC to be one of its most valuable resources. This manual has been written to serve as the guide for the employer/employee at-will relationship.

There are several things that are important to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit, or the applicability of a policy or Store Operations to you, you should address your specific questions to your direct Supervisor or The Department of Human Resources. Neither this handbook nor any other Company document, confers any contractual right, either express or implied, to remain in the Company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will, with or without cause and without prior notice, by ARS FRESNO LLC or you may resign for any reason at any time. No supervisor or other representative of ARS FRESNO LLC (except the Office of Human Resources) has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above.

Second, the procedures, Store Operations, policies and benefits described here may be modified or discontinued from time to time. We will try to inform you of any changes as they occur.

Third, this handbook and the information in it should be treated as proprietary and confidential information of The Company. No portion of this handbook should be disclosed to others, except ARS FRESNO LLC employees and others affiliated with ARS FRESNO LLC whose knowledge of the information is required in the normal course of business.

Finally, some of the subjects described here are covered in detail in official policy documents. You should refer to these documents for specific information, since this handbook only briefly summarizes those benefits. Please note that the terms of the written insurance policies are controlling.

Thank you in advance for your contributions to ARS FRESNO LLC.

Sincerely,

Howard Bode (Co Manager)

Ron Myhro (Co Manager)

RECEIPT FOR EMPLOYEE HANDBOOK

I acknowledge that I have received a copy of ARS FRESNO LLC' Employee Handbook. I acknowledge and agree to read it thoroughly, including the statements in the foreword describing the purpose and effect of the Handbook. I acknowledge and agree that if there is any policy or provision in the Handbook that I do not understand, or questions about, I will seek clarification from the Store Manager or The Department of Human Resources who can be reached at 760.607.4511 x17. I understand that ARS FRESNO LLC is an "at-will" employer and as such employment with ARS FRESNO LLC is not for a fixed term or definite period and may be terminated at the will of either party, with or without cause, and without prior notice. No supervisor or other representative of ARS FRESNO LLC (except Executive Office/Owners and The Department of Human Resources) has the authority to enter into any agreement for employment for any specified period of time, or to make any agreement contrary to the above. In addition, I understand that this Handbook states ARS FRESNO LLC' policies and Store Operations in effect on the date of publication. I understand that nothing contained in the Handbook may be construed as creating a promise of future benefits or a binding contract with ARS FRESNO LLC for benefits or for any other purpose. I also understand that these policies and procedures are continually evaluated and may be amended, modified or terminated at any time.

Please sign and date this receipt and return it to the Store Manager.

Date: _____

Signature: _____

Print Name: _____

INTRODUCTION

040 INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with the Store and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. You are encouraged to ask your Store Manager questions about any policy or provision of this handbook, about the Store, and/or your duties and position. The Handbook describes many of your responsibilities as an employee and outlines the programs developed by ARS FRESNO LLC to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No Employee Handbook can anticipate every circumstance or question about governing policies. As we continue to grow, the need may arise to revise, supplement or rescind any policies or portion of the handbook as we deem appropriate. We reserve the right in our sole and absolute discretion to make those changes. The only exception to any changes is our employment-at-will policy permitting you or ARS FRESNO LLC to end our relationship for any reason at any time. Employees will be notified of such changes to the handbook as they occur.

045 CUSTOMER RELATIONS

Customers are among ARS FRESNO LLC most valuable asset. Every employee represents ARS FRESNO LLC to our Customers and the public. The way we do our jobs presents an image of our entire nationwide group of Convenience Stores. Customers judge ARS FRESNO LLC based on how they are treated and on their overall experience with our Store staff. Therefore, it is a priority to ensure that each Customer's experience is a positive one. Nothing is more important than extending courteous and respectful service consistently. Each Customer encounter should be a positive experience. We can accomplish that by exercising professional Store decorum both in our words and actions.

Customer relations is an important component to our success. We value Customer retention and Customer referrals. Our Customers will judge us on the way we treat them and on the quality of Customer Service they receive. So it goes without saying that we must strive to meet and exceed their expectations.

Store policies and Store Operations are designed to create a positive Customer experience. Every Customer encounter is an opportunity to demonstrate our ability to meet their customer purchase needs. Employees are asked to follow work rules, customer service training and to do their part as a team member of their Store. Each employee will be held accountable to deliver superior and excellent customer service.

Together, we can create a convenience store experience where Customers will want to return and will happily provide referrals to their friends and family members.

EMPLOYMENT

101 NATURE OF EMPLOYMENT

This Employee Handbook is not intended to create a contract guaranteeing that an employee will be employed for any specific time period or creating a contract between the Company and you with respect to any provision and/or policy included in the Handbook.

The company is an at-will employer. This means that regardless of any provision in this employee handbook, either the employee or the company may terminate the employment relationship at any time, for any reason, with or without cause or notice. Nothing in this employee handbook or in any document or statement, written or oral, shall limit the right to terminate employment-at-will. No Store employee or representative of the company is authorized to enter into an agreement - express or implied - with any employee for employment other than at-will unless those agreements are in a written contract signed by the Executive Officers of the company or The Head of Human Resources

This Employee Handbook refers to current benefit plans maintained by the Company. Refer to the actual plan documents and summary plan descriptions if an employee has specific questions regarding the benefit plans. Those documents are controlling.

If there are discrepancies between a contracted-employee's employment contract and the Employee Handbook, the provisions of the employment contract are controlling.

102 NON-DISCRIMINATION AND ANTI-HARASSMENT POLICY

ARS FRESNO LLC is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory Store Operations, including harassment. Therefore, ARS FRESNO LLC expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment. ARS FRESNO LLC is committed to providing a work environment free of sexual or any form of unlawful harassment or discrimination. Harassment or unlawful discrimination against individuals on the basis of ancestry, race, religious creed/religion, color, age, gender – to include a person's actual gender, the perception of a person's gender and the expression of a person's gender, sexual orientation, genetic information, national origin, marital status, medical condition, disability, military service, pregnancy, childbirth breastfeeding and/or related medical conditions, or any other classification protected by federal, state, and local laws and ordinances, will not be tolerated by or towards any employees, applicants, customers, independent contractors or anyone who does business with ARS FRESNO LLC. Anyone who violates this policy will be subject to disciplinary action, up to and including termination of his or her employment or engagement.

Definitions of Harassment

a. Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (iii) such conduct has the purpose or effect of unreasonably

interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, catcalls or touching; insulting or obscene comments or gestures; display or circulation in the workplace of sexually suggestive objects or pictures (including through e-mail, text messages); and other physical, verbal or visual conduct of a sexual nature. Sex-based harassment that is, harassment not involving sexual activity or language (e.g., male manager yells only at female employees and not males) may also constitute discrimination if it is severe or pervasive and directed at employees because of their sex.

b. Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, national origin, age, disability, [alienage or citizenship status, marital status, creed, genetic predisposition or carrier status, sexual orientation] or any other characteristic protected by law or that of his/her relatives, friends or associates, and that: (i) has the purpose or effect of creating an intimidating, hostile or offensive work environment; (ii) has the purpose or effect of unreasonably interfering with an individual's work performance; or (iii) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes, but is not limited to: epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes and display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including through e-mail).

Individuals and Conduct Covered

These policies apply to all applicants and employees, and prohibit harassment, discrimination and retaliation whether engaged in by fellow employees, by a supervisor or manager or by someone not directly connected to ARS FRESNO LLC (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Retaliation Is Prohibited

ARS FRESNO LLC prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action up to and including termination.

103 EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

ARS FRESNO LLC is committed to equal employment opportunity. We provide equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, national origin, age, disability, genetic information, marital status, amnesty, or status as a covered veteran in accordance with applicable federal, state and local laws. ARS FRESNO LLC complies with applicable

state and local laws governing non-discrimination in employment. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, transfers, leaves of absence, compensation, and training. ARS FRESNO LLC expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, national origin, age, genetic information, disability, or veteran status. Improper interference with the ability of employees to perform their expected job duties is absolutely not tolerated.

The Store Manager is responsible for implementing this policy. Questions or clarification regarding this policy can be directed to the Store Manager or The Department of Human Resources.

Appropriate disciplinary action may be taken against any employee willfully violating this policy.

This policy of Equal Employment Opportunity applies to all policies and procedures relating to recruitment and hiring, compensation, benefits, termination and all other terms and conditions of employment.

104 CONFLICT OF INTEREST/CODE OF ETHICS

The Company's professional integrity is the most valuable Company asset. The Company's reputation is directly related to the conduct of all ARS FRESNO LLC employees. Therefore, employees must never use their positions with the Company, or any of its Customers, for private gain, to advance personal interests or to obtain favors or benefits for themselves, members of their families or any other individuals, companies or business entities.

The Company adheres to the highest legal and ethical standards applicable in our business. The Company's business is conducted in the strict observance of both the letter and spirit of all applicable laws and the integrity of each employee is of utmost importance.

Employees of the Company shall conduct their personal affairs in such a fashion that their duties and responsibilities to the Company are not jeopardized and/or legal questions do not arise with respect to their association or work with the Company.

105 PERSONAL RELATIONSHIPS IN THE WORKPLACE

The employment of relatives or individuals involved in a dating relationship in the same area of the Company may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried over into day-to-day working relationships.

For purposes of this policy, a relative is defined as any person who is related by blood or marriage or whose relationship with the employee is similar to that of persons who are related by blood or marriage. A dating relationship is defined as a relationship that may be reasonably expected to lead to the formation of a consensual "romantic" or sexual relationship. This policy applies to all employees without regard to the gender or sexual orientation of the individuals involved.

Individuals involved in a dating relationship with a current employee may also not occupy a position that will be working directly for or supervising the employee with whom they are involved in a dating relationship. The Company reserves the right to take prompt action if an actual or potential conflict of interest arises involving relatives

or individuals involved in a dating relationship who occupy positions at any level (higher or lower) in the same line of authority that may affect the review of employment decisions. In the event that a personal relationship exists in the Store, employees should not expect special consideration with regard to time off. In no event, will such employees be granted vacation or other time off that is not reviewed at Department of HR, District Manager or Store Manager discretion.

106 COMPLAINT PROCEDURE

Reporting an Incident of Harassment, Discrimination or Retaliation

ARS FRESNO LLC requires the reporting of all incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced conduct that they believe is contrary to ARS FRESNO LLC' policy or who have concerns about such matters should file their complaints with the Store Manager before the conduct becomes severe or pervasive. Individuals should not feel obligated to file their complaints with their immediate supervisor first before bringing the matter to the attention of the Department of Human Resources.

Employees who have experienced conduct they believe is contrary to this policy have an obligation to take advantage of this complaint procedure. An employee's failure to fulfill this obligation could affect his or her rights in pursuing legal action. Also, please note, federal, state and local discrimination laws establish specific time frames for initiating a legal proceeding pursuant to those laws.

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment. Therefore, while no fixed reporting period has been established, ARS FRESNO LLC strongly urges the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. ARS FRESNO LLC will make every effort to stop alleged harassment before it becomes severe or pervasive, but can only do so with the cooperation of its staff/employees.

The availability of this complaint procedure does not preclude individuals who believe they are being subjected to harassing conduct from promptly advising the offender that his or her behavior is unwelcome and requesting that it be discontinued.

The Investigation

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly, thoroughly and impartially. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Responsive Action

Misconduct constituting harassment, discrimination or retaliation will be dealt with promptly and appropriately. Responsive action may include, for example, training, referral to counseling, monitoring of the offender and/or disciplinary action such as warning, reprimand, withholding of a promotion or pay increase, reduction of wages, demotion, reassignment, temporary suspension without pay or termination, as ARS FRESNO LLC believes

appropriate under the circumstances. Individuals who have questions or concerns about these policies should talk with The Department of Human Resources.

Finally, these policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related social activities or discussions in order to avoid allegations of harassment. The law and the policies of ARS FRESNO LLC prohibit disparate treatment on the basis of sex or any other protected characteristic, with regard to terms, conditions, privileges and perquisites of employment. The prohibitions against harassment, discrimination and retaliation are intended to complement and further these policies, not to form the basis of an exception to them.

107 IMMIGRATION LAW COMPLIANCE

In compliance with the federal Immigration Reform and Control Act of 1986 (IRCA), as amended, the Company is committed to employing only individuals who are authorized to work in the United States.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation, acceptable by law, establishing identity and employment eligibility.

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

108 AMERICANS WITH DISABILITIES ACT POLICY STATEMENT

ARS FRESNO LLC is committed to complying with all applicable provisions of the Americans With Disabilities Act ("ADA"). It is the Company's policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the employee can perform the essential functions of the job. Consistent with this policy of nondiscrimination, ARS FRESNO LLC will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA, who has made ARS FRESNO LLC aware of his or her disability, provided that such accommodation does not constitute an undue hardship on ARS FRESNO LLC.

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Store Manager or Department of Human Resources. ARS FRESNO LLC encourages individuals with disabilities to come forward and request reasonable accommodation.

Procedure for Requesting an Accommodation

On receipt of an accommodation request, the Store Manager and The Department of Human Resources will meet with you to discuss and identify the precise limitations resulting from the disability and the potential accommodation that ARS FRESNO LLC might make to help overcome those limitations.

ARS FRESNO LLC will determine the feasibility of the requested accommodation considering various factors, including, but not limited to the nature and cost of the accommodation, the availability of tax credits and deductions, outside funding, the Company's overall financial resources and organization, and the accommodation's impact on the operation of ARS FRESNO LLC, including its impact on Customer Service and on the ability of other employees to perform their duties and on ARS FRESNO LLC ability to conduct business.

The ADA does not require ARS FRESNO LLC to make the best possible accommodation, to reallocate essential job functions, or to provide personal use items (i.e., eyeglasses, hearing aids, wheelchairs etc.).

An employee or job applicant who has questions regarding this policy or believes that he or she has been discriminated against based on a disability should notify the Store Manager or The Department of Human Resources. All such inquiries or complaints will be treated as confidential to the extent permissible by law.

Lactation Accommodation: The Company will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child. The break time, if possible, must run concurrently with rest and meal periods already provided to the employee. If the break time cannot run concurrently with rest and meal periods already provided to the employee, the break time will be unpaid.

The Company will make reasonable efforts to provide employees with the use of a room or location other than a toilet stall for the employee to express milk in private. This location may be the Store's private office, if applicable. The Company may not be able to provide additional break time if doing so would seriously disrupt the Company's operations. Please speak to the Head of Human Resources if you have questions regarding this policy.

110 CONFLICT OF INTEREST AND OUTSIDE EMPLOYMENT STATEMENT

ARS FRESNO LLC expects its employees to conduct business according to the highest ethical standards of conduct. Employees are expected to devote their best efforts to the interests of the Company. Business dealings that appear to create a conflict between the interests of the Company and an employee are unacceptable. ARS FRESNO LLC recognizes the right of employees to engage in activities outside of their employment which are of a private nature and unrelated to our business. However, the employee must disclose any possible conflicts so that the Company may assess and prevent potential conflicts of interest from arising. A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of the Company's business dealings.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones which most frequently present problems. If an employee has any question whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact the Store Manager to obtain advice on the issue. The purpose of this policy is to protect employees from any conflict of interest that might arise.

A violation of this policy will result in immediate and appropriate discipline, up to and including immediate termination. Employees are encouraged to raise any questions regarding specific activities or questions involving ARS Fresno's LLC's Conflict of Interest policy with Human Resources before engaging in outside activities or relationships that could violate the policy

Outside Employment

Employees are urged to discuss possible outside employment with their supervisor before participating in outside work activities. A discussion of outside employment activity is essential to confirm there would be no conflict with the Company's interest. In general, outside work activities are not allowed when they:

- prevent the employee from fully performing work for which he or she is employed at the Company;

- involve organizations that are doing or seek to do business with the Company, including actual or potential vendors or customers; or
- violate provisions of law or the Company's policies or rules.

From time to time, Company employees may be required to work beyond their normally scheduled hours. Employees must perform this work when requested. In cases of conflict with any outside activity, the employee's obligations to the Company must be given priority. Employees are hired and continue in ARS FRESNO LLC employ with the understanding that ARS FRESNO LLC is their primary employer and that other employment or commercial involvement which is in conflict with the business interests of the Company is strictly prohibited.

Financial Interest in Other Business

An employee and his or her immediate family may not own or hold any significant interest in a supplier, customer or competitor of the Company, except where such ownership or interest consists of securities in a publicly owned company and that securities are regularly traded on the open market.

Acceptance of Gifts

No employee may solicit or accept gifts of significant value, lavish entertainment or other benefits from potential and actual Customers, suppliers or competitors. Special care must be taken to avoid even the impression of a conflict of interest. Any questions regarding this policy should be addressed to the Store Manager.

Work Product Ownership

All ARS FRESNO LLC employees must be aware that ARS FRESNO LLC retains legal ownership of the product of their work. No work product created while employed by ARS FRESNO LLC can be claimed, construed, or presented as property of the individual, even after employment by the Company has been terminated or the relevant project completed. This includes written and electronic documents, audio and video recordings, system code, and also any concepts, ideas, or other intellectual property developed for ARS FRESNO LLC, regardless of whether the intellectual property is actually used by ARS FRESNO LLC. Although it is acceptable for an employee to display and/or discuss a portion or the whole of certain work product as an example in certain situations (e.g., on a resume, in a freelancer's meeting with a prospective client), one must bear in mind that information classified as confidential must remain so even after the end of employment, and that supplying certain other entities with certain types of information may constitute a conflict of interest. In any event, it must always be made clear that work product is the sole and exclusive property of ARS FRESNO LLC. Freelancers and temporary employees must be particularly careful in the course of any work they discuss doing, or actually do, for a competitor of ARS FRESNO LLC.

Reporting Potential Conflicts

An employee must promptly disclose actual or potential conflicts of interest, in writing, to his or her supervisor. Approval will not be given unless the relationship will not interfere with the employee's duties or will not damage the Company's relationship.

111 CONFIDENTIAL NATURE OF WORK

All ARS FRESNO LLC records and information relating to ARS FRESNO LLC or its Customers are confidential and employees must, therefore, treat all matters accordingly. The protection of confidential, sensitive, and proprietary information is of critical importance to the Company, its employees, and its Customers. It is essential employees take steps to safeguard such information. Employees must not use any confidential, sensitive, or proprietary information of the Company in any manner that is unauthorized or detrimental to the best interests of the Company

No ARS FRESNO LLC -related information, including without limitation, documents, notes, files, records, oral information, computer files or similar materials (except in the ordinary course of performing duties on behalf of ARS FRESNO LLC) may be removed from the Company's premises without permission from ARS FRESNO LLC. Additionally, the contents of ARS FRESNO LLC records or information otherwise obtained in regard to business may not be disclosed to anyone, except where required for a business purpose. Employees must not disclose any confidential information, purposefully or inadvertently through casual conversation), to any unauthorized person inside or outside the Company. Employees who are unsure about the confidential nature of specific information must ask their supervisor for clarification. Employees will be subject to appropriate disciplinary action, up to and including dismissal, for knowingly or unknowingly revealing information of a confidential nature.

112 CUSTOMER CONFIDENTIALITY AND PRIVACY

The law and our professional ethics require that each employee maintains the highest level and degree of confidentiality when handling Customer information and activities. Employees must maintain work habits that ensure Customer confidentiality and Customer privacy.

In order to maintain this professional confidence, employees must not disclose, discuss, or compromise Customer information:

- 1) in a common area of the workplace;
- 2) to individuals outside the Company including members of one's own family; or
- 3) to members of the Customer's own family unless specifically requested to do so.

Disclosure of confidential information regardless of the intent will result in disciplinary action up to and including termination of employment.

180 EMPLOYMENT OF MINORS

For purposes of this policy, an individual under the age of 18 is considered a minor and must abide by state and federal laws to include the following:

- Provide a valid Work Permit, High School diploma or Certification of Proficiency;
- Adhere to the terms and conditions of the valid Work Permit; and
- Work within the limitations on hours as follows:
 - 1) On school nights, minors ages 16 and 17 may work four hours per day and eight hours on weekends with a maximum of 48 hours per week.
 - 2) If the minor has two jobs, both, together, may not exceed the legal number of hours.
 - 3) No work after 10:00 PM on school nights and 12:30 AM on weekends.
 - 4) Must be 18 years of age to operate power machinery.

181 ARBITRATION & MEDIATION AGREEMENT

Although ARS FRESNO LLC hopes that employment disputes with its employees will not occur, ARS FRESNO LLC believes that when these disputes do arise, it is in the mutual interest of all concerned to handle them promptly and with a minimum of disturbance to the operations of ARS FRESNO LLC'S businesses and the lives of its employees.

Accordingly, to provide for more expeditious resolution of certain employment-related disputes that may arise between ARS FRESNO LLC and its employees, ARS FRESNO LLC has instituted a mandatory mediation and arbitration procedure for all employees. Under the Procedure, certain disputes that may arise from your employment with ARS FRESNO LLC or the termination of your employment must (after appropriate attempts to resolve your dispute internally through ARS FRESNO LLC management channels) be submitted for resolution by non-binding mediation and, if necessary, mandatory arbitration.

In agreeing to submit certain employment disputes for resolution by private mediation and arbitration, you acknowledge that this Agreement is given in exchange for rights to which you are not otherwise entitled--namely, your employment as a ARS FRESNO LLC employee and the more expeditious resolution of employment disputes. In exchange for your agreement to submit these disputes to mediation and binding arbitration, ARS FRESNO LLC likewise agrees to the use of mediation and arbitration as the exclusive forum for resolving employment disputes covered by this Agreement.

Hence, the parties shall be precluded from bringing or raising in court or another forum any dispute that was or could have been brought or raised under the procedures set forth in this Agreement.

The ARS FRESNO LLC Mediation and Arbitration Procedure

1. As a condition of your employment at ARS FRESNO LLC, you agree that any controversy or claim arising out of or relating to your employment relationship with ARS FRESNO LLC or the termination of that relationship, must be submitted for non-binding mediation before a third-party neutral and for final and binding resolution by a private and impartial arbitrator, to be jointly selected by you and ARS FRESNO LLC.

a. *Claims Covered:* This agreement to submit to mediation and (if necessary) arbitration:

i. Covers any dispute concerning the arbitrability of any such controversy or claim; and

ii. Includes, but is not limited to, any claim that could be asserted in court or before an administrative agency or claims for which the employee has an alleged cause of action, including without limitation claims for breach of any contract or covenant (express or implied); tort claims; claims for discrimination (including, but not limited to, discrimination based on sex, pregnancy, race, national or ethnic origin, age, religion, creed, marital status, sexual orientation, mental or physical disability or medical condition or other characteristics protected by statute); claims for wrongful discharge; violations of the Family and Medical Leave Act (FMLA); violations of confidentiality or breaches of trade secrets; and/or claims for violation of any federal, state or other governmental law, statute, regulation or ordinance, and whether based on statute or common law; and

iii. All those claims whether made against ARS FRESNO LLC, any of its subsidiary or affiliated entities or its individual Stores or directors (in an official or personal capacity).

b. *Claims Not Covered:* Claims covered by this Agreement do not include:

i. A claim for workers' compensation benefits;

ii. A claim for unemployment compensation benefits;

iii. A claim under the National Labor Relations Act (NLRA), as amended;

iv. A claim by ARS FRESNO LLC for injunctive or other equitable relief, including without limitation claims for unfair competition and the use or unauthorized disclosure of trade secrets or confidential information, for which ARS FRESNO LLC may seek and obtain relief from a court of competent jurisdiction; and

v. A claim based upon ARS FRESNO LLCs current (successor or future) employee benefits and/or welfare plans that contain an appeal procedure or other procedure for the resolution of disputes under the plan.

c. *Internal Efforts:* As a prerequisite for submitting an employment dispute to mediation and, if necessary, arbitration, both you and ARS FRESNO LLC agree to make good faith efforts at resolving any dispute internally on an informal basis through ARS FRESNO LLC management channels appropriate to that particular dispute. Head of Human Resources, has been designated as the company's official business executive responsible for resolving disputes informally. Only when those internal efforts fail; may an employment dispute be submitted to mediation and (if necessary) final and binding arbitration under the terms of the Procedure.

d. *Nonbinding Mediation:* If efforts at informal resolution fail, disputes arising under this Agreement must first be submitted for non-binding mediation before a neutral third party. Mediation is an informal process where the parties to a dispute meet in an attempt to reach a voluntary resolution, using the third party as a facilitator. Mediation shall be conducted and administered by the American Arbitration Association (AAA) under its Employment Mediation Rules, which are incorporated into this Procedure by reference; or other applicable rules.

e. *Binding Arbitration:* If a covered dispute remains unresolved at the conclusion of the mediation process, either party may submit the dispute for resolution by final binding confidential arbitration under the Procedure. The arbitration will be conducted under the Employment Dispute Resolution Rules of the AAA or other applicable rules (Rules) with the additional proviso that the Procedure shall be conducted on a confidential basis. These Rules, incorporated by reference into this Procedure, include (but are not limited to) the procedures for the joint selection of an impartial arbitrator and for the hearing of evidence before the arbitrator. The arbitrator shall have the authority to allow for appropriate discovery and exchange of information before a hearing, including, but not limited to, production of documents, information requests, depositions and subpoenas. A copy of the complete AAA Employment Dispute Resolution Rules may be obtained from, Head of Human Resources.

i. Any conflict between the rules and procedures set forth in the AAA rules and those set forth in this Agreement shall be resolved in favor of those in this Agreement.

ii. The burden of proof at arbitration shall at all times be on the party seeking relief.

iii. In reaching a decision, the arbitrator shall apply the governing substantive law applicable to the claims, causes of action and defenses asserted by the parties as applicable in the Company's county of jurisdiction. The arbitrator shall have the power to award all remedies that could be awarded by a court or administrative agency in accordance with the governing and applicable substantive law, including, without limitation, Title VII, the Age Discrimination in Employment Act, the Family and Medical Leave Act and other applicable civil rights and employment laws.

f. *Time Limits and Procedures:* The aggrieved party must give written notice of any claim to the other party as soon as possible after the aggrieved first knew or should have known of the facts giving rise to the claim. The written notice shall describe the nature of all claims asserted and the facts upon which those claims are based and shall be mailed to the other party by certified or registered mail, return receipt requested. Any such notice mailed to ARS FRESNO LLC shall be addressed to, Head of Human Resources at The Department of Human Resources.

i. Any mediation or arbitration conducted under this Agreement shall take place in store location unless an alternative location is chosen by the mutual agreement of the parties. The arbitrator shall render a decision and award within 30 days after the close of the arbitration hearing or at any later time on which the parties may agree. The award shall be in writing and signed and dated by the arbitrator and shall contain express findings of fact and the basis for the award.

ii. The parties agree to share equally the AAA administrative fees and the arbitrator's fees and expenses. All other costs and expenses associated with the arbitration, including, without limitation, each party's respective attorneys' fees, shall be borne by the party incurring the expense.

iii. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The award may be vacated or modified only on the grounds specified in the U.S. Arbitration Act or other applicable law.

g. No Retaliation/Employment At-Will:

i. Under no circumstances will a ARS FRESNO LLC employee be retaliated against in any way for invoking the Procedure in good faith to seek the resolution of a dispute. ARS FRESNO LLC managers who engage in such retaliation will be subject to discipline under the appropriate ARS FRESNO LLC disciplinary procedures.

ii. The Company's Arbitration and Mediation Procedure does not in any way alter the at-will employment status of the Company's employees. ARS FRESNO LLC and its employees are always free to terminate the employment relationship at any time for any lawful reason and employment is not for any specific or definite duration.

2. This Agreement sets forth the complete agreement of the parties on the subject of mediation and arbitration of the covered claims defined above and supersedes any prior or contemporaneous oral or written understanding on these subjects. No party is relying on any representations, oral or written, on the subject or the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Procedure.

By providing your signature on the Employee signature page, you indicate your agreement to the terms set forth above. All parties understand that by agreeing to the terms in this Procedure, all parties are giving up any constitutional or statutory right they may possess to have covered claims decided in a court of law before a judge or a jury.

EMPLOYMENT STATUS & RECORDS

201 EMPLOYEE CATEGORIES

It is the intention of ARS FRESNO LLC to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not change the at-will employment relationship. Accordingly, the right to terminate the employment relationship at-will is retained by both the employee and the Company.

JOB CLASS DEFINITION For purposes of payroll administration, benefit administration, core job description difference, each employee is designated within a Job Class as follows:

Class I	Full Time Hourly Corporate
Class II	Full Time Salary Corporate
Class III	Full Time Salary Non Corporate
Class IV	Full Time Hourly Non Corporate
Class V	Variable Hour Employee
Class VI	Part Time

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the provisions of wage and hour federal and state laws and are paid on a biweekly basis.

EXEMPT Employees. Class II and Class III job functions are defined as Exempt status. Defined according to Fair Labor Standards Acts (FLSA) which designates duties that meet the legal definition of Executive, Administrative or Professional. Exempt employees are excluded from provisions of wage and hour, federal and state laws and therefore, are not eligible for overtime pay. Their salaries are calculated on a biweekly basis. While exempt employees are expected to adhere to regular schedules to ensure effective work flow, the number of hours actually worked in a given week may vary. An exempt employee is paid a salary which does not, except in limited circumstances authorized by law, change based on the number of hours worked. Employees in exempt positions are not entitled to overtime pay. Exempt employees are always paid in full-day increments, although they must use the appropriate paid leave, if available, for absences for personal reasons.

Non-exempt Employees. Class I, IV, V and VI job functions are defined as Non Exempt status. All employees who are covered by the federal or state minimum wage and overtime laws are considered nonexempt. Employees working in nonexempt jobs are entitled to be paid at least the minimum wage per hour and a premium for overtime work. An employee's classification may be changed as the role and functional responsibilities and duties of the employee's position changes. In that event, the employee will be notified by ARS FRESNO LLC' management.

In addition to the CLASS/NONEXEMPT/EXEMPT classification, each employee will be designated as a Full Time, Variable Hour Employee (VHE) or Part Time employee.

Full-Time

An employee who is scheduled to work no less than 40 hours per workweek or the standard working-hours of the Company each week will be classified as a Full-Time Employee. A standard work week is defined as no less than 8 hours per day, 5 days per week. An employee will be classified as either Full-Time Exempt or Full-Time Non-Exempt.

Variable Hour

You are a variable hour employee for purposes of the new federal health reform law because you work in a job position where you generally are not expected to work more than 30 hours per week on average in a month. Your hours may fluctuate from time to time depending on business needs and how your hours are scheduled. Simply because your hours may increase from time-to-time does not mean you cease to be a variable hour employee. Variation in hours is part of your job position. Variation in hours may be such that you work over 30 hours per week for an extended time. Again, that possible hours variation is a normal part of your job which we anticipated when we set our annual hours expectations for this position. Such variation does not mean you are full-time for medical plan purposes nor does it indicate a “promotion.” All changes to full-time positions will be documented with a formal notice to you (similar to this Notice); in the absence of that designation by us, a change has not occurred.

Federal law states that an employer is to measure your hours worked to determine whether annual hours indicate you might become eligible for health plan coverage in the future, and so we will track your hours over a 12-month period starting with the first day of the first month following date of hire. If, at the end of the 12 months, you are then determined to be eligible, you will be offered plan coverage at that time for the following 12 months. (Coverage is never available retroactively.) You may still waive / decline the coverage; you do not have to elect our health insurance – though the new law may carry other implications for you if you have no other health insurance coverage. Review those rules with your personal financial, tax or legal advisor. If you do elect our health plan coverage at that time, you must pay your share of the premiums which will be set as required and allowed by federal law. Also, if you elect our plan coverage, federal law generally requires you must keep that coverage for the next 12 months; very limited circumstances would permit you to drop that election mid-year. For example, if your hours fall, you cannot drop the coverage, even if your pay falls as you work fewer hours; if your spouse loses his or her job, you cannot change your decision to take our coverage based on IRS rules. If your paycheck is not sufficient to pay your share of the premiums, that will be a debt you owe to us. Premiums are due by the first day of the month following the date you are first in arrears. If premiums are not paid by that date, with a 30-day grace period as provided by law, your coverage will terminate, and continuation generally will not be available. Finally, coverage ends when your employment ends.

Your hours will be tracked for each year following as well, with the timeframe depending on our formal plan year. An annual calculation will be done, and you may or may not be determined to be eligible going forward for future coverage.

Plan terms as explained in the formal plan document and summary plan description will control your rights under the plan in the event of conflicting information.

Part-Time

An employee who is scheduled to work no more than 30 hours per workweek or the standard working-hours of the Company each week will be classified as a Part-Time Employee. A standard work week is defined as no less than 4 hours per day, 7 days per week.

Temporary status

An employee who is hired for a specified project or time frame and/or is hired through a placement service and staffing agency and/or works an irregular schedule based on an emergent or on an as-needed basis to cover Customer needs is considered a Temporary Employee. A Temporary employee is paid by the hour for all hours worked. Temporary employees are eligible for overtime pay. Temporary employees do not receive any additional compensation and are not eligible for Company sponsored benefits.

202 ACCESS TO PERSONNEL FILES

Upon request, employees may inspect their own personnel file at a mutually agreeable time, on Company premises in the presence of a Company official. Employees will be permitted to see any records regarding qualification for employment, promotion, wage increases or corrective action memorandum. Exceptions include records regarding criminal investigation and letters of reference maintained by the Company. Employees will be allowed to have a

copy of any document that bears the employee's signature. Employees can make arrangement to view their personnel file with the Head of Human Resources. Upon a written request from the employee, the Company will provide a copy of the personnel records, at a charge not to exceed the actual cost of reproduction, not later than 30 calendar days from the date the employer receives the request. Written requests should be directed to the Head of Human Resources.

203 REFERENCE CHECKS

Our Company will not honor any oral requests for references. All requests must be in writing and on Company letterhead. Generally, we will only confirm our employees' dates of employment, salary history and job title.

An employee, under no circumstances, should provide another individual with information regarding current or former employees of our Company. If you receive a request for reference information, please forward it to your supervisor.

204 PERSONNEL RECORDS

The Company maintains a confidential, password encrypted personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records. To keep necessary Company records up to date, it is extremely important that you update Employee Self Service platforms accordingly and notify the Store Manager of any changes in:

- Name and/or marital status
- Address and/or telephone number
- # of eligible dependents
- W-4 Deductions
- Emergency Contact Information

Personnel files are the property of the Company. Access to the information they contain is restricted. Generally, only supervisor and management personnel of the Company who have legitimate reason to review information in a file are allowed to do so.

205 INITIAL EMPLOYMENT PERIOD

The initial employment or introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations.

Additionally, the initial employment period gives the employee's supervisor a reasonable period of time to evaluate the employee's work habit and performance. The initial employment period is the first 90 days following an employee's date of hire.

During this time, the new employee will be provided with training and guidance from their immediate supervisor. An employee may be discharged at any time during this period if his/her immediate supervisor concludes that he/she is not a good fit for the Store or is not progressing or performing satisfactorily.

Additionally, as is true at all times during an employee's employment with the Company, employment is not for any specific time and may be terminated by either the Company or the employee at will, with or without cause and without prior notice.

208 EMPLOYMENT APPLICATIONS

The Company relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications or material omissions in any of the information or data may result in the exclusion of the individual from further consideration for employment, or if the person has been hired, termination of employment.

In processing employment applications, the Company may obtain a consumer credit report for employment purposes only concerning credit worthiness, credit standing, and credit capacity. If the Company takes an adverse employment action based in whole or in part on the consumer credit report, a copy of the report and a summary of your rights under the Fair Credit Reporting Act will be provided as well as any other documents required by law.

Background checks may be conducted on job applicants applying for sensitive positions. These include positions involving security and financial responsibilities, for example: Store Manager, Assistant Store Manager, Lead Cashier etc. This type of information is collected as a means of promoting a safe work environment for current and future employees. Background checks also help obtain additional applicant related information that helps determine the applicant's overall employability, ensuring the protection of the current people, property and information of the Company. The Company will use a third party agency to conduct the background checks. Employees who are required to drive a company vehicle or their own vehicle for Company related business will be required to provide evidence of insurability and their driver's record.

209 PROFESSIONAL PERFORMANCE MANAGEMENT

ARS FRESNO LLC aims to create a work environment where both the employee and the immediate supervisor can have open dialogue on job performance and job development issues. Whether the issue at hand is to discuss a new work procedure, process or work rule or a specific job performance deficiency, open communication is key.

Informal day-to-day discussions go a long way in providing constructive feedback to employees so that issues can be resolved quickly. In the event that job-related performance deficiencies are not addressed, a formal discussion may take place.

It is the policy of ARS FRESNO LLC to maintain a professional performance management philosophy which includes but is not limited to timely employee reviews, opportunity to comply with corrective action based on the impact that the offense or deficiency has on business operations and Customer care.

A formal step-process performance management system is not maintained by the Company. Therefore, employees should not maintain an expectation of a step-process prior to ARS FRESNO LLC making a decision to terminate the at-will employment relationship.

210 PAY INCREASES

Pay increases are based **strictly** on merit and are discretionary. ARS FRESNO LLC rewards and recognizes employees for their individual contributions to the growth and success of the convenience store and of the company. While ARS FRESNO LLC operates as a team, it is each employee's individual contribution that will be rewarded. Much value is placed on consistent and progressive development of skills, knowledge and ability to support the company's growth; on dependability; on accountability; and an employee's willingness, determination and motivation to do their part.

212 STATEMENT OF EARNING

A statement of earnings is given each pay period to employees indicating the state or federal mandatory information including but not limited to:

- Company Information
- Employee Information
- Gross Pay
- Statutory Deductions
- Voluntary Deductions
- Medical YTD
- Vacation YTD (where applicable)
- Sick YTD (where applicable)

The amount of Federal and State withholding is affected by the number of exemptions claimed on Form W-4, Employee's Withholding Allowance Certificate. If an employee's marital status changes or the number of exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to the appropriate Employee Self Service platform and submitted to the Store Manager.

EMPLOYEE BENEFIT PROGRAMS

301 HEALTH INSURANCE

ARS FRESNO LLC offers its eligible employees health insurance. The Store Manager and The Department of Human Resources will assist you in making the necessary arrangements for enrollment. A complete description of available plans is provided to each employee as Summary Plan Descriptions and appropriate supplements.

302 BENEFIT ELIGIBILITY

Benefit eligibility varies based on the specific benefit offering and on the Employee Classification. Eligible Full-Time Employees are asked to read the handbook carefully and to seek clarification from the Store Manager and or The Department of Human Resources when uncertainty arises.

303 VACATION

Full-time employees, who have completed 12-months of continuous employment service, are eligible for vacation accrual as outlined below. Temporary employees, Variable hour employees, part time employees and contract employees are not eligible for Vacation. Vacation is not earned in pay periods during which unpaid leave, short or long term disability leave or workers' compensation leave are taken. Vacation time eligibility is based on an employee's length of service. Vacation hours accrue based on an employee's anniversary date as follows:

Hourly Non-Exempt Employees (does not include Site Managers)

<u>Months of Service</u>	<u>Accrual Per Pay Period</u>	<u>Total Annual</u>	<u>Maximum Accrual</u>
0 – 36 (0-3 years)	1.54	5 Days (40 Hours)	120 hours
36 – Over (3+ years)	3.08	10 Days (80 Hours)	160 hours

Salary Exempt, Corporate and Hourly Site Managers

<u>Months of Service</u>	<u>Accrual Per Pay Period</u>	<u>Total Annual</u>	<u>Maximum Accrual</u>
0 – 12 (0-1 yr)	1.54	5 Days (40 Hours)	120 hours
12 – 36 (1-3 yrs)	3.08	10 Days (80 Hours)	160 hours
36 – Over (3+ yrs)	4.62	15 Days (120 Hours)	200 hours

Employees desiring to request vacation time-off must submit vacation requests in writing at least one month in advance to your direct supervisor. When possible, vacation requests are granted, taking into account operating requirements.

Vacation pay is not granted in lieu of taking the actual time off. Employees are encouraged to schedule vacation time off for rest and relaxation away from work. At such time as an employee reaches the maximum accrual management, at its discretion, may schedule employees off work as vacation, in accordance with state law.

304 STATE DISABILITY INSURANCE

Full Time Employees are eligible to subscribe to Voluntary Short and Long Term Disability at Open Enrollment or 30 days within a Qualifying Event. Dependent upon an employee's state location, there might be a statutory deduction for SDI (State Disability Insurance). For further clarification, contact the Head of Human Resources.

305 HOLIDAYS

ARS FRESNO LLC normally observes the following holidays during the year:

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

Eligible employees receive holiday pay only when the holiday falls on a day they are normally scheduled to work.

Full-time employees are eligible for holiday pay after completion their 90-day introductory period.

Non-exempt employees must work their full scheduled work day before and after the holiday in order to receive holiday pay, unless they are absent with prior permission from their supervisor.

306 WORKERS' COMPENSATION INSURANCE

On-the-job injuries are covered by our Workers' Compensation Insurance policy. This insurance coverage is provided at no cost to employees. Dependent upon an employee's state location, there might be a state mandated statutory deduction considered as "Employee's portion of Workman's Compensation fee. "Contact the Department of Human Resources for additional clarity.

If an employee is injured on the job, no matter how slightly, the employee is responsible to report the incident immediately to the Store Manager. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize an employee's claim. We encourage employees to alert management of any conditions which could lead or contribute to an unsafe working condition or employee accident. Additionally,

the Company will attempt to provide reasonable accommodation which is medically necessary, feasible and does not impose an undue hardship on the Company as prescribed by applicable federal, state or local law.

307 SICK DAYS

In the United States, several states, counties and cities have paid sick time laws on the books. The Company's Paid Sick Leave Policy complies with each State, City or County law. For more detail and clarification, contact The Department of Human Resources.

In accordance with state laws, employees may use their accrued unused sick pay hours for absences related to the illness of the employee's child, the child of the employee's registered domestic partner, parent, registered domestic partner or spouse, on the same terms as the employee is able to use sick pay benefits for the employee's own illness or injury or for Doctor's appointments.

When an employee has been absent from work longer than three (3) days for their own illness or injury, the employee is required to provide their supervisor medical certification that they are/were under medical care and that the employee is fit for duty with or without restrictions. Employees may not report to work without such a release from their medical provider. This policy is in the best interest of the employee. The Company wants to ensure that employees are fit for duty and are able to perform their duties safely without risk to employees or Customers.

308 TIME OFF TO VOTING

The Company believes that every employee should have the opportunity to vote in any state or federal election, general primary or special primary. Employees who do not have sufficient time outside of their regularly scheduled working hours to vote in a statewide election may request up to two paid hours off at the beginning or end of their regular work shift to vote only after they have explored all options such as changing their work schedule and voting by absentee vote. Employees must provide notice at least two working days in advance of the election when they have reason to believe there will be a need for time off to vote. Employees will be excluded from the time off pay rule if there is sufficient non-working time to vote.

Employees believing there will be a need for time-off must notify your supervisor of the need for voting in writing. Upon return from voting leave, employees must present a voter's receipt to their supervisor.

309 UNEMPLOYMENT INSURANCE

The Unemployment Insurance Program, commonly referred to as UI, provides weekly unemployment insurance payments for workers who lose their job through no fault of their own. The UI program is funded by employers who pay taxes on wages paid to employees. Employees may obtain information as well as a claim form by accessing their respective state web site.

310 UNIFORMS

The Company maintains a uniform policy for all convenience store and kiosk employees. Uniforms are issued to designated employees at no charge upon hire. Upon receipt of the company issued uniform, employees become responsible for maintenance, care and replacement of damaged uniforms.

In the event of employee termination, Company issued uniforms, accessories and name tags are to be returned as part of the exit process.

311 JURY DUTY

Time off rules for Jury Duty vary from state to state. For additional clarification, contact The Department of Human Resources or your State Clerks office. Non-exempt employees summoned for jury duty are granted unpaid leave equal to the number of days outlined by the summons in order to perform their civic duty. Employees are required to provide their supervisor with a copy of the summons as soon as the employee receives the notice and is aware of the need for time off. Upon return from Jury Duty Leave, employees are required to provide their supervisor with the release from Jury Duty notice. When an employee has been released from their civic duty, they are required to report to work to complete their regularly scheduled work day.

Exempt employees will be paid for the entire week in which they perform any work and serve on jury duty. Employees must bring in the jury duty notice as soon as it is received so that appropriate arrangements can be made to cover position duties. Employees are required to call in if unable to report to work or report for work on those days or parts of days when their presence in court is not required.

315 CONTINUED EDUCATION CONFERENCES

The Company recognizes that importance of on-going development. For that reason, employees may be asked to attend training seminars or workshops conducted offsite or join professional associations that will enable employees to remain abreast of best Store Operations in their respective fields. Thus, the purpose of this policy is to outline Company parameters for attending external training functions and joining/renewing memberships in professional associations.

When an employee is requested to attend a training seminar or workshop conducted offsite, the Company will bear the cost of all expenses to include airfare, lodging (i.e., hotel) and meals as per the current per diem rate. Airfare, lodging and other travel related arrangements will be coordinated by the employee. In that regard, coach and or standard rooms will be authorized. Employees are responsible for familiarizing themselves with the Company's Travel Reimbursement Policy prior to incurring any expenses. There are limitations and restrictions that employee's must adhere to – all of these are outlined in the Travel Reimbursement Policy.

Non-exempt employees will be paid for their time spent in the workshop. Leisure time during the seminar will be considered unpaid time. Only that time which requires employer-controlled time will be compensated as wages.

Employees are required to attend all conferences, industry related seminar or workshop activities as scheduled. Employees are required to attend each seminar session on time and to remain in the seminar for the full duration of the seminar. Failure to do so will result in corrective action to include termination of employment. Employees are expected to conduct themselves in a manner that represents ARS FRESNO LLC in the best light. The Company's reputation is at hand and employees are expected to maintain a level of professionalism at all time including leisure time.

Employees are prohibited from including family or friends in any Company sponsored seminar or workshop activities. Employees who fail to attend the full seminar may be asked to reimburse the Company for the cost of the seminar in part or for the full expense depending on the circumstances.

The Company reserves the right to determine which training functions and association memberships are in the best interest of the Company, its future planning and direction.

381 EMPLOYEE DISCOUNT

At this writing there is no employee discount on product purchases.

382 STORE PARTIES & RECREATIONAL ACTIVITIES

From time to time, the Company holds Store parties and/or recreational activities either on the premise or off-site for eligible Store staff. Such off-duty events and activities are arranged for the purpose of providing good will and positive employee morale. Participation on the part of employee is voluntary. As such, the Company or its insurer such as Workers' Compensation are not liable for injury or damages that may result. The use of alcoholic beverages during these events and activities is strictly prohibited.

Employees are expected to maintain a high level of decorum and professionalism during these events and activities. Employee issues that impact working relationships, teamwork or work performance arising from or associated with the event or activities is subject to corrective action. Employees are asked to use sound judgment in this regard.

In the spirit of employee camaraderie, birthday celebrations, baby showers, wedding showers and similar Store gatherings are permitted under limited circumstances. On-site gatherings must be contained to a designated area keeping decorations and food away from Customer areas. If an off-site gathering is arranged, it cannot be disruptive to business operations. Further, employees will be responsible for set-up and clean-up of the event. Such gatherings must be voluntary. Employee's wishes to not participate must be respected. No employee should be mandated to participate or contribute financially to an event if they so choose.

Outside vendor and agency events must be pre-approved by District Managers and appropriate Corporate Department. Coordination and approval for employee gatherings must be arranged through the Store Manager no less than 10-days in advance.

TIMEKEEPING & PAYROLL

401 TIME RECORDS

The attendance of all nonexempt staff is recorded daily by each employee and is submitted to the Store Manager weekly. Our attendance records are Company records, and care must be exercised in recording the hours worked, overtime hours, and absences.

All nonexempt employees must record the time they arrived/departed, each day, on his/her time record. Each employee is responsible only for his/her own recordkeeping. Violations of this policy may result in appropriate corrective action, up to and including immediate discharge.

As soon as an employee clocks-in, work is to commence immediately. Failure to do so is considered falsification of timekeeping records.

If an employee forgets to clock-in or out, he or she must notify his or her supervisor immediately so the time may be accurately recorded for payroll. Repeated failure to clock-in or out, may result in corrective action up to and including immediate discharge.

402 MEAL PERIOD BREAK

Meal Breaks and Rest Breaks vary from state to state. The Company complies with all state meal and rest breaks. For additional clarification, contact The Department of Human Resources.

403 REST BREAKS

The Company makes available for each non-exempt employee a 10-minute rest break for each four hours worked. The rest break must be taken each day the employee is scheduled to work four or more hours. In no event is a non-exempt employee permitted combine rest period with their meal period break nor is the non-exempt employee permitted to alter their work schedule in lieu of taking the rest break. Non-exempt employees are not permitted to engage in work activities during their rest break. Employees are expected to manage their work schedule and time between Customer activities to avail themselves to a rest period. If a non-exempt employee believes that taking a rest break is not feasible, the employee must notify their supervisor as soon as they are aware of the situation but no later than the end of their work shift. Non-exempt employees are not permitted to leave the Company's premises during a rest break.

404 PAYROLL PAY DAY

Employees are paid on a biweekly basis, every other Friday. If the normal payday falls on a Company-recognized holiday, paychecks will be distributed one workday prior to the last scheduled work day. Each biweekly payroll payment will include earning for work performed through the end of the prior week. Overtime payment, for nonexempt employees, is also paid on a biweekly basis.

It is the Company's policy that employee paychecks will only be given personally to that employee. All other arrangements for mailing or pick-up must be made in advance and in writing with the Store Manager.

Employees may be paid by check or through direct deposit of funds to either a savings or checking account at their bank of choice. To activate direct deposit, each employee is encouraged to use the ADP Payroll Portal user interface. Due to banking requirements, a pre-note period of one pay period will apply.

In the event of a lost paycheck, the Department of Human Resources must be notified in writing as soon as possible before a replacement check can be issued. In the event the lost paycheck is recovered and the Company identifies the endorsement as that of the employee, the employee must remit the amount of the replacement check to the Company within 24 hours of the time it is demanded.

405 TERMINATION OF EMPLOYMENT

Termination of employment is an inevitable part of personnel activity within any organization and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment may be terminated:

- Resignation: Voluntary Termination of Employment initiated by an employee.
- Discharge: Involuntary Termination of Employment initiated by the Company.
- Layoff: Involuntary Termination of Employment initiated by the Company.

Employment with the Company is based on an at-will relationship. Both the employee and the Company have the right to terminate employment at will, with or without notice, with or without cause, at any time.

The Company will provide a final check to a departing employee in accordance with applicable state law. All Company property must be returned to the Company on the last day of employment. Any confidential information received while employed at ARS FRESNO LLC belongs solely to ARS FRESNO LLC and must be kept confidential even after the employment has ended. The Department of Human Resources typically conducts exit interviews that help assess employee satisfaction, employee perception, organizational efficiency and company reputation.

408 PAY ADVANCES

The Company does not extend pay advances or employee loans under any conditions or circumstances. Earned wages will be paid as per the Pay Day Notice without exception.

Employees are asked to refrain from asking for such consideration.

409 ADMINISTRATIVE PAY CORRECTIONS

ARS FRESNO LLC takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error, the employee should promptly bring the discrepancy to the attention of the Store Manager so that corrections can be made timely.

480 COMPENSATION

The Company maintains salary guidelines for all positions based on industry surveys and best practice efforts. An employee's compensation is determined by their industry experience, skills, knowledge and ability to directly contribute to the Company's growth. As a result, individual compensation varies based on those factors. An employee's compensation must be regarded as private and confidential. Sharing such information is counterproductive and promotes ill will among employees. Employees are asked to avoid such conversation. Changes in pay rate are made at the discretion of management and are based on individual performance.

481 SALARY CONFIDENTIALITY

The Company considers an employee's compensation such as base pay and incentive bonus payments as private and confidential. As stated earlier, sharing such information is counterproductive and promotes ill will among employees. Employees are asked to avoid such conversation. action.

WORK CONDITIONS

504 PERSONAL TELEPHONE CALLS

It is important to keep our telephone lines available for Customer calls. Although the occasional use of the Company's telephones for a personal emergency may be necessary, routine personal calls should be kept to a minimum. Such call should not be made in a common area where Customer activity occurs.

Personal cellular telephones and other similar electronic devices are prohibited in the work area. Such devices are to be stored in employees' personal belonging area or locker or outside of the store. Personal cell phones and electronic devices are not to be carried on the employee's person or in their workspace. Devices should be turned off or set to a silent alert while on Company premises.

507 OVERTIME PAY

Depending on Company work needs, employees will be required to work overtime when requested to do so. Prior approval or direction of a supervisor, however, is required before any non-exempt employee works overtime. Adhering to the stores shift schedule is a responsibility of all store employees. Any accrual of non authorized overtime is considered an infraction of policy and potential disciplinary action.

ARS FRESNO LLC complies with both state and federal overtime rules. Where differences exist between a state and federal overtime rule, ARS FRESNO LLC will follow the rule that is most favorable to the worker. Time-off hours such as vacation or sick pay hours are not included in the calculation for overtime pay.

508 USE OF EQUIPMENT AND VEHICLES

The Company uses various forms of Store equipment/property and electronic communications including but not limited to: computers, e-mail, telephones, voicemail, facsimile machines, copy machines, all online services (i.e., internet, World Wide Web, etc.) paid for by the Company. All Store equipment and electronic communications including software and hardware remain the sole property of the Company and are to be used for business related purpose only. Employees are prohibited from using such equipment for personal non-business related use.

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. Improper care, carelessness, negligence or unsafe use or operation of equipment/property or vehicles may result in corrective action to include termination of employment. For purposes of this policy, traffic and parking violations are considered a form of carelessness and negligence on the part of the employee. Employees who are required to drive a company vehicle or their own vehicle for Company related business will be required to provide evidence of insurability and their driver's license.

Employees must notify their supervisor of any equipment/property failure or damage. Prompt reporting of damages, defects and the need for repair could prevent deterioration and impact safety. Questions related this topic can be directed to the Store Manager.

Use of Company issued cellular telephones, pagers, PDA or other communication devices are regarded as business tools to be used strictly for business related purpose. Such issuance of Company property is provided to assist the employee in the performance of their assigned duties. Company property is not intended to be used as personal. Sending and receiving communication of personal nature is subject to corrective action to include termination. Corrective action in this regard may include reimbursement of expenses for personal employee-use to the Company and the surrendering of property.

Employees are not permitted to use such communication devices while driving. Safety is the first order of the day. That said employees must not use the device while driving under any circumstances. Violations will be noted in the employee's record and subject to corrective action.

Employees are asked to maintain business etiquette employed when using cellular telephones in a non-private setting.

510 EMERGENCY CLOSING

On rare occasions, emergent situations such as severe weather, fire conditions, power outages, or earthquakes can disrupt Store operations. In extreme cases, these circumstances may require the closure of the Store. When the Store is impacted by such events, employees will be notified of the closure and will not be paid for the period of the closure. Loss time due to such Store closure can be supplemented by using accrued unused vacation hours.

Employees who report to work after notification of a Store closure will not be paid reporting time. Employees are responsible for coordinating their schedule with the Store Manager.

512 BUSINESS TRAVEL EXPESNES

The Company will reimburse employees for reasonable business travel expenses incurred while on approved assignments away from the employee's primary work location

Employees whose travel plans have been approved should make all travel arrangements independently or through their Supervisor. When approved, the actual reasonable costs of travel, lodging and other expenses directly related to accomplishing business travel objectives will be reimbursed by the Company. Employees are responsible for familiarizing themselves with approved reimbursable expense guidelines prior to incurring the expense to avoid out of pocket expenses. Reasonable expenses include but are not limited to the cost of per diem meals, toll and parking charges, taxi and/or car rental fees, and luggage fees. Non-reimbursable expenses include but are not limited to fitness and/or health club fees, in-room movie charges, mini-bar charges, alcoholic beverages, telephone charges other than safe-arrival calls, and similar personal expenditures. Abuse of this policy, including falsifying expense reports to reflect costs not incurred by the employee or excessive and/or frivolous spending can be grounds for corrective action to include termination.

Employees will be reimbursed for mileage at .20cents per mile to use their own vehicle for business related travel. Such reimbursement will be based on actual miles traveled in excess of the employee's normal commute. Fees for traffic and/or parking violations are not reimbursable under any circumstances. The cost of fuel and other vehicle

maintenance expenses are not reimbursable. Employees must report auto accidents to the Store Manager timely whether the accident occurred in an employee owned vehicle, a rental or a Company vehicle.

Employees are required to complete and submit a Travel Expense Report no later than 14-days from the return from travel date. Travel Expense Reports are considered complete when they are supported by original itemized receipts and support documents evidencing the request for reimbursement. The Travel Expense Report must include the reason for the travel and the names of any individuals who may have been entertained while on Company business.

Questions related to approved travel expenses may be directed to the Department of Human Resources.

516 COMPUTER AND EMAIL USAGE

Computers, computer files, the email system, and software furnished to employees are Company property intended for business use **ONLY**. Employees should not use a password, access a file, or retrieve any stored communication without authorization. To ensure compliance with this policy, computer and email usage may be monitored.

All staff that is assigned Store e-mail addresses is expected to check their e-mails throughout the workday and to respond to them promptly.

ARS FRESNO LLC strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, the Company prohibits the use of computers and the email system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display of transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

Email may not be used to solicit other for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

ARS FRESNO LLC purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, ARS FRESNO LLC does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. ARS FRESNO LLC prohibits the illegal duplication of software and its related documentation.

Employees should notify their immediate supervisor, the Store manager or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

517 INTERNET USAGE

Internet access to global electronic information resources on the World Wide Web is provided by Store to assist employees in obtaining work related data and technology. The following guidelines have been established to help

ensure responsible and productive Internet usage. All internet usage is limited to job-related activities. Personal use of the Internet is not permitted under any circumstance either during or after business hours.

All internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Store and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

Employees are not to have any expectation of privacy or confidentiality in any electronic communications sent via ARS's electronic communications systems, regardless of the issuance of passwords by the company to employees. ARS reserves the right to monitor, access, retrieve and review all electronic communications that are transmitted or stored on any of the agency's electronic communications systems, including, but not limited to, e-mails and text messages (including those sent, received and/or stored), Internet usage (e.g., web sites visited and Internet traffic), software, data stored, computer files, hard drives and usage information such as dates, times and users.

The equipment, services, and technology provided to access the Internet remain at all times the property of Store. As such, Store reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or another person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not received authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

To ensure a virus-free environment, no files may be downloaded from the Internet without prior authorization.

Abuse of the Internet access by Store in violation of law or Store policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images
- Using the organization's time and resources for personal gain
- Stealing, using or disclosing someone else's code or password without authorization
- Copying, pirating, or downloading software and electronic files without permission
- Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- Violating copyright law
- Failing to observe licensing agreements
- Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted internet services and transmissions
- Sending or posting messages or material that could damage the organization's image or reputation
- Participating in the viewing or exchange of pornography or obscene materials
- Sending or posting messages that defame or slander other individuals

- Attempting to break into the computer system of another organization or person
- Refusing to cooperate with a security investigation
- Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- Using the Internet for political causes or activities, religious activities, or any sort of gambling
- Jeopardizing the security of the organization's electronic communications systems
- Sending or posting messages that disparage another organizations products or services
- Passing off personal views as representing those of the organization
- Sending anonymous email messages
- Engaging in any other illegal, immoral, or unethical activities

518 WORKPLACE MONITORING

Workplace monitoring may be conducted by ARS FRESNO LLC to ensure quality control, employee safety, security, and Customer satisfaction.

Employees who regularly communicate with Customers may have their telephone conversations monitored or recorded. Telephone monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our Customers' images of ARS FRESNO LLC as well as their satisfaction with our service.

In addition, ARS FRESNO LLC may employ "secret shoppers" to evaluate employee performance.

Computers furnished to employees are the property of ARS FRESNO LLC. As such, computer usage and files may be monitored or accessed.

ARS FRESNO LLC may conduct video surveillance of non-private workplace areas. Video monitoring is used to identify safety concerns, maintain quality control, detect theft and misconduct and discourage or prevent acts of harassment and workplace violence.

Employees can request access to information gathered through workplace monitoring that may impact employment decisions. Access will be granted unless is a legitimate business reason to protect confidentiality or an ongoing investigation.

Because ARS FRESNO LLC is sensitive to the legitimate privacy rights of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

522 WORKPLACE VIOLENCE PREVENTION

The Company maintains a zero tolerance policy regarding workplace violence. The Company is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, the Company has adopted the following guidelines to deal with intimidation, harassment or other threats of or actual violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from any activity or conduct that may be dangerous to others.

Conduct that threatens, intimidates, or coerces another employee, Customer or a member of the public, at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's gender, race, age or any characteristics protected by federal, state or local law. The Company encourages employees to bring their disputes or differences with other employees to the attention of management before the situation escalates into a potential violent situation. The Company is eager to assist in the resolution of employee disputes and may not, depending on the nature of the dispute, impose corrective action as a result.

Employees should report all threats of or actual violence, both direct and indirect, as soon as possible to the Store Manager. This includes threats by employees, as well as threats by Customers, vendors, solicitors or others. When reporting threats of violence, employees should provide as specific information and detail as possible in a timely manner.

Suspicious individuals, behavior and/or activities should be reported to management immediately. Employees should exercise caution and avoid situations that place them in peril. Employees should not attempt to defuse a situation or get involved. They should immediately alert management and always maintain calm and think in terms of safety.

The Company will promptly and thoroughly investigate all reports of threat or violence. The identity of the individual making a report will be protected as much as practical. Employees found to be in violation of company policy as it relates to others' perception of threat or violence will subject to corrective action to include termination.

580 MISCELLANEOUS DAYS OFF

At the option and discretion of the Store Manager, the Store work schedule may change to accommodate coworker continued education or vacation periods. In this regard, selective staff will be scheduled to work while other will not. Scheduling decision will be based on business operational needs. Employee may use accrued unused vacation for the non-paid time off. Employees scheduled to work will not be granted time off.

581 WORKING FROM HOME

Only employees in pre-designated positions, approved by their Supervisor, are permitted to work from home.

582 EMPLOYEE PARKING

Employees park their vehicles at their own risk and ARS FRESNO LLC will not be responsible for theft or damage to any vehicles parked on or near company property. Also, the company will not be responsible for personal property left in vehicles that is lost, damaged, stolen, or destroyed.

583 PERSONAL PROPERTY

The Company is not responsible for loss or damage to personal property. Valuable personal items, such as wallets and handbags, personal electronic equipment, and all other valuables should be secured by the employee. Employees are encouraged to keep such valuables at home and away from the workplace. Employees are not permitted to carry cellular phones, blackberries or similar electronic devices while in the Customer Store Operations area.

584 CARE OF EQUIPMENT

Employees are expected to demonstrate proper care when using the Company's property and equipment. No property may be removed from the premises without the proper authorization of management. Employees must report any loss, breakage or damage to any property to their supervisor as soon as the employee is aware of the situation.

Lockers, desks, vehicles and Company property must be maintained according to general Store rules and regulations. They must be kept clean and are to be used only for work-related purposes. Employees are not permitted to enter the Store when the Store is closed unless they are approved to work.

The Company reserves the right to inspect Company property at any time with or without notice in accordance with state law. Employees are asked to cooperate and aid in the inspection process with their cooperation. In addition, when there is a reasonable suspicion that a policy is being violated which necessitates a search, employees may be required to submit to reasonable searches of their personal vehicles parked on company property, parcels, purses, handbags, backpacks, brief cases, lunch boxes or any other possessions or articles brought onto company's property. Employees who do not want their property searched should not bring it onto company premises. All employees must cooperate in an inspection; failure to do so is insubordination and will result in disciplinary action, up to and including termination. Employees found to be in violation of any of ARS FRESNO LLC's policies based on the results of an inspection will be subject to disciplinary action, up to and including termination.

Company property may not be removed from the Store without pre-authorization of the Store Manager. Only employees on active duty are permitted on the premises in non-Customer areas. Employees who are Customers of the Store must respect the Customer/employer relationship.

585 LOST AND FOUND

Employees are encouraged to report and surrender any lost or found articles. Lost and found articles must be placed in the designated area for immediate access to all Store staff. A written report from Customers reporting a lost article should be kept in the designated area too.

586 PASSWORDS

Passwords are used for various purposes at the Company. Some of the more common uses include computer software(s), e-mail accounts, voice-mail, time keeping systems and security. Employees should not share their password with other employees under any conditions. Only the Corporate Office and the Store Manager should have a record of an employee's password. Passwords should be regarded as private and confidential.

Access to specific systems use a shared-password for ease of use by designated group of employees. At no time should an employee change the pre-established shared-password. When employees are given an option to set their

own password, the password must be unique and different from passwords used on personal communications. Nor should employees use the “*Remember Password*” feature on any system logins or include password in any electronic communications. Employees should never walk away from their computer after having logged in. Employees are required to change their password(s) no less than every six months but preferably at four months to ensure the security of our systems.

Employees must notify management when they suspect that their password has been compromised. Questions related to security of the system, access or passwords to systems should be directed to the Store Manager.

587 KEY ISSUANCE

Store keys are assigned to employees whose positions require them to access the Store, cabinets, lockers and the like. Employees who are assigned keys must sign a Key Assignment Form which outlines the terms and conditions and responsibilities that go along with maintaining possession of such Company property. Keys must be surrendered when requested by management and must never be out of the employee’s control and possession.

Employees charged with the responsibility of keeping a Store key must acquaint themselves with the alarm system’s “arming process”, “false alarm” commands, and other security functions. Employees responsible for securing the Store at the end of the day must ensure that the Store is unoccupied and that all employees and/or Customers have vacated the Store, that all electronic devices and switches (i.e., A/C, coffee pots, copy machines, etc.) are in the “OFF” position, that all doors are locked and that the Store is armed.

Using Store keys to access the Store under unauthorized conditions is considered a violation and subject to corrective action including termination.

588 IDENTIFICATION BADGES

Employees are issued an identification badge upon hire. It must be worn where it is plainly visible to Customers at all times while on the Company’s premises.

LEAVE OF ABSENCES

In addition to the federal FMLA law, most states have some laws that can affect your leave. And under FMLA, if your state provides you with more generous benefits than FMLA, ARS FRESNO LLC will comply with the state law and more robust employee provision.

600 LEAVE OF ABSENCES

- The Company may grant a leave of absence to an employee in certain circumstances. It is important to request any leave in writing as far in advance as possible. While regular attendance is crucial to maintain business operations, ARS FRESNO LLC recognizes that, for a variety of reasons, employees may need time off from work. ARS FRESNO LLC has available various types of leaves of absence. Some are governed by law and others are discretionary. ARS FRESNO LLC offers all applicable leaves of absence required by law whether or not the leave is detailed in this document. For all planned leaves, however, employees are to

submit a request at least 30 days in advance; in case of an emergency, the request is to be made as soon as the employee is aware of the need for leave.

- All requests for a leave of absence will be considered in light of their effect on ARS FRESNO LLC'S work requirements, as determined by ARS FRESNO LLC'S management.
- Communication with either your Supervisor or The Department of Human Resources during any leave period is critical. Employees are required to provide frequent updates as necessary and requested and to return to work as agreed. Failure to return to work on the pre-agreed upon date will result in the employee's voluntary termination.
- Leave of absences are granted to employees on the following basis:
 - Advance notice is required. Such requests must be made on a Time Off Request Form and submitted to the Supervisor;
 - Leave of absences due to a medical condition require the employee to provide medical certification from their healthcare provider and will begin and end on the date provided by the employee's healthcare provider.
 - If applicable, per state law, Employees are required to use accrued unused sick pay benefits during the unpaid leave.
 - Questions related to leave of absences should be directed to the Department of Human Resources.

601 MEDICAL LEAVE

In addition to the federal FMLA law, most states have some laws that can affect your leave. And under FMLA, if your state provides you with more generous benefits than FMLA, ARS FRESNO LLC will comply with the state law and more robust employee provision.

A medical leave of absence may be granted for non-work related temporary medical disabilities – other than pregnancy, childbirth or related medical conditions) with a doctor's written certification of a medical condition or disability requiring on-going treatment.

Requests for medical leaves will be granted at the sole discretion of management, based on the facts and circumstances surrounding each individual request.

603 BEREAVEMENT LEAVE

In addition to the federal FMLA law, most states have some laws that can affect your leave. And under FMLA, if your state provides you with more generous benefits than FMLA, ARS FRESNO LLC will comply with the state law and more robust employee provision.

Requests for Bereavement Leave should be made to your immediate supervisor as soon as possible.

607 PREGNANCY DISABILITY LEAVE (PDL)

In addition to the federal FMLA law, most states have some laws that can affect your leave. And under FMLA, if your state provides you with more generous benefits than FMLA, ARS FRESNO LLC will comply with the state law and more robust employee provision.

Employee Eligibility

To be eligible for a Pregnancy Disability Leave, a female employee must work for the Company.

Leave Entitlement

There are state specific leave allowances for eligible female employees for one or more of the following reasons:

- 1) must be unable to perform one or more of her job functions due to pregnancy, childbirth, and related conditions;
- 2) bed rest ordered by a medical provider; childbirth and recovery from childbirth;
- 3) prenatal visits and care; or
- 4) severe morning sickness.
- 5) leave entitlement also include job transfer to a less hazardous or strenuous position within the Company during the pregnancy, if medically necessary, when recommended by the employee's health care provider.

Supplementing Unpaid Leave

Female employees will be required to use accrued unused sick time to supplement the unpaid PDL leave at the beginning of their leave. She may use accrued unused vacation time at her option. Supplementing the unpaid leave period does not extend the leave entitlement period. A granted PDL may run concurrent with other leave types.

Maintenance of Health Benefits

During an approved PDL leave, the Company will maintain an employee's elected health benefits under the same terms and conditions applicable to employees not on leave.

If the unpaid leave is supplemented with accrued time off, the Company will take a payroll deduction for the employee's portion of the health plan premium as a regular payroll deduction. If the unpaid leave is not supplemented with accrued time off, the employee is responsible for making timely payment arrangement in order to maintain benefit coverage. Arrangements must be made with the Store Manager.

Health coverage may cease if the employee's portion of the premium payment is more than 30 days late. When payment is more than 30 days late, the Company will send the employee a letter to this effect. If payment is not received within 15 days of the letter, coverage will cease.

Employees will be liable for reimbursement of health insurance premiums paid by the Company during the leave when the employee fails to return to work after taking PDL leave.

Leave Notice

Employees are required to provide the Company with 30 days' advance written notice prior to the requested leave. If the need for a PDL leave is not foreseeable, employees must give notice to the Store Manager as soon as practicable (within one or two business days of learning the need for leave). Failure to provide such notice may result in a delay in granted leave protection. Upon receipt of medical certification, the leave will be granted using the first day off work as the leave start date. Those hours will be charged as PDL leave. If the need for a PDL leave is for a planned medical treatment, employees should attempt to schedule the treatment to avoid disrupting the Company's operations. Employees must complete the appropriate PDL Leave Forms timely. Such forms are available from the Store Manager.

Medical Certification for a Serious Health Condition

Employees are required to provide medical certification by a health care provider supporting the need for leave when the employee is unable to perform one or more of her job functions due to pregnancy or pregnancy related-conditions. Employees must provide medical certification no later than 15 days from the date of request. Medical recertification is required prior to the expiration of the original medical certification.

Returning to Work

Employees returning to work from PDL are required to present a fitness-for-duty medical certification before being restored to their job. Failure to provide the required medical certification will impact the employee's job restoration rights.

608 MILITARY LEAVE

Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with federal and state law.

The time off will be unpaid, except where state law dictates otherwise. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

609 WITNESS LEAVE

Employees are given the necessary time off without pay to attend or participate in a court proceeding in accordance with state law. Employees are asked to notify their supervisor of the need to take witness leave as far in advance as is possible.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

610 SCHOOL VISITATION

School/Parental Leave: A small number of states provide for a limited number of hours annually for parents to attend school-related events and activities for their children:

If an employee who is the parent or guardian of a child who is suspended from school is required to appear at the child's school, the employee may take time off without pay when they provide reasonable advance notice to their supervisor of the need for time off.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

611 DOMESTIC VIOLENCE LEAVE

ARS FRESNO LLC will not discriminate against employees who are victims of domestic violence or sexual assault for taking time off from work to obtain or attempt to obtain any relief, including but not limited to, a temporary restraining order, restraining order, or other injunctive relief to help ensure the health, safety, or welfare of a victim or his or her child.

ARS FRESNO LLC will also not discriminate against an employee who is a victim of domestic violence or sexual assault for taking time off from work to seek medical attention for injuries caused by such domestic violence or sexual assault, to obtain services from a domestic violence or sexual assault program, to obtain psychological counseling related to the domestic violence or sexual assault, or to participate in actions to increase safety from future domestic violence or sexual assault, including temporary or permanent relocation.

Affected employees must give the Company reasonable notice that they are required to be absent for a purpose stated above, except for unscheduled or emergency court appearances or other emergency circumstances. In such a case, the Company will take no action against affected employees if, within a reasonable time after the appearance, they provide the Company with documentary evidence that their absence was required for any of the above reasons.

This leave will be unpaid. However, affected employees may use vacation, personal leave or other accrued time off (if available).

612 VICTIMS OF CRIME LEAVE

ARS FRESNO LLC will grant reasonable and necessary leave from work without pay to employees who are victims, or whose spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, stepfather, domestic partner, or child of a domestic partner is a victim of a violent or serious felony or felonious theft or embezzlement, for the purposes of attending legal proceedings related to the crime.

Affected employees may elect to use accrued paid vacation, personal leave and/or sick leave in lieu of unpaid leave.

When feasible, affected employees must provide the Company with advance notice of the employee's need for leave, including a copy of the notice of the scheduled proceeding. If advance notice is not feasible, affected employees must

provide documentation evidencing the legal proceeding requiring the employee's absence within a reasonable time after leave is taken.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

613 PAID FAMILY LEAVE (PFL) STATE SPECIFIC

ARS FRESNO LLC complies with all Federal laws and state specific Paid Family Leave laws. Contact the Department of Human Resources for additional information that is specific to your location of employment.

EMPLOYEE STANDARD CODE OF CONDUCT

701 STANDARDS OF CONDUCT

Each employee has an obligation to observe and follow the Company's policies and procedures and to maintain acceptable standards of conduct at all times. When an employee's behavior and conduct interferes with the orderly and efficient operation of a department, corrective action will be taken.

Corrective action will be determined by evaluating the impact of the conduct to the Company and the interference and disruption to business operations and delivery of services to Customers.

Following are examples of misconduct: violation of Company's policies or safety rules; insubordination; failure to follow a directive of a supervisor or management; unauthorized or illegal possession, use or sale of alcohol or controlled substances on work premises or during working hours, while engaged in Company activities or in Company vehicles; unauthorized possession, use or sale of weapons, firearms or explosives on work premises; theft or dishonesty; physical harassment; sexual harassment; disrespect toward fellow employees, visitors or other members of the public; performing outside work or use of Company property, equipment or facilities in connection with outside work while on Company time; disruptive attendance pattern or substandard work performance. These examples are not all inclusive.

Nothing in this statement is designed to modify the nature of at-will employment.

704 ATTENDANCE AND PUNCTUALITY

Acceptable attendance and punctuality recitals are important. As such, they must be maintained at acceptable levels of performance for the term of employment. We work as a team. This requires that each person be in the right place at the right time.

Employees are required to provide advance notice of an absence from work or a late arrival to work. Notification of an absence or late arrival must be made to a supervisor. Late arrivals include returning late from a meal period. Required advanced notice should be as early as the employee is aware of the situation but no later than their schedule start time. Each absence or late arrival occurrence requires notification to a supervisor. Failure to report to work without notice (i.e., no-show no-call) will be considered a voluntary termination and abandonment of employment. Absences due to illness of three or more days will require that the employee present a medical certification that states that the employee is fit for duty before the employee will be permitted to return to work.

Personal issues requiring time away from work, such as doctor's appointments, should be scheduled during the employee's non-working hours when possible.

705 DRESS POLICY

It is important for all employees to project a professional image of the Company. To create this image to Customers, visitors and guests, the Company maintains a dress-code policy that applies to all employees of the Company, with the exception of employees who are required to wear uniforms.

Appropriate attire includes business suitable shoes. Employees are required to wear close-toed shoes and appropriate foot covering such as socks or stockings. Visible tattoos must be covered at all times. Facial piercing including tongue piercings must be removed during working hours.

706 PERSONAL HYGIENE

Proper hygiene promotes professionalism within our Company and a favorable image to our Customers. Employees are expected to maintain the highest standards of personal cleanliness and present a neat, professional appearance at all times.

707 CONFIDENTIALITY

In compliance with the federal Health Insurance Portability Accountability Act [HIPPA] (the “Privacy Rule”), and other federal and state laws govern the release of Customer/Employee identifiable information by health care providers. It is the responsibility of all employees to preserve and protect confidential Customer, employee and business information.

Confidential Medical Employee Information includes:

Any individually identifiable information in possession or derived from a provider of health care regarding an employee’s medical history, mental, or physical condition or treatment. (Note: this information is defined in the Privacy Rule as “protected health information “PHI.”) Examples include, but are not limited to:

- 1) Physical and medical records including paper, photo, video, diagnostic and therapeutic reports, laboratory and pathology samples;
- 2) Employee insurance and billing records;
- 3) Electronic Customer data;

Confidential Employee Information includes, but is not limited to, the following:

- 1) Employee home telephone number and address;
- 2) Spouse or other relative names;
- 3) Social Security number or income tax withholding records;
- 4) Information related to evaluation and performance;
- 5) Other such information obtained from the Company’s records which if disclosed, would constitute unwarranted invasion of privacy; or
- 6) Disclosure of Confidential business information that would cause harm to the Company.

Confidential Business Information includes, but is not limited to, the following:

Any and all information disclosed to or obtained by an employee, whether orally, in writing or by other means, pertaining to the Company's operations, processes, plans or intentions, product information, know-how, copyrights, design rights, trade secrets, market opportunities, business affairs, clients or customers (specifically including contact information), potential clients or customers (specifically including contact information), service providers, marketing methods, or similar information. Excluded is any information which can be proven to be in the public domain by the employee prior to this agreement.

708 IF YOU MUST LEAVE US

Should you decide to leave your employment with us, we ask that you provide your supervisor with at least thirty days' advance notice. Your thoughtfulness is appreciated and will be noted favorably should you ever wish to reapply for employment with the Company.

Employees, who are rehired following a break in service, other than an approved leave of absence, must serve a new initial introductory period whether or not such a period was previously completed. Such employees are considered new employees from the effective date of their reemployment for all purposes, including the purposes of measuring health, vacation and leave benefits. State specific laws exist regarding the Paid Sick Leave benefit and ARS FRESNO LLC complies with each state or local specific ordinance.

All Company property, including this Employee Handbook, must be returned upon termination. Otherwise, the Company may take action to recoup any replacement costs and/or seek the return of Company property through appropriate legal recourse.

Employees must sign a Termination Certification certifying their compliance with the Company confidential information policy.

You should notify the Company if your address changes during the calendar year in which termination occurs so that your tax information will be sent to the proper address.

712 SOLICITATION

In an effort to ensure a productive and harmonious work environment, persons not employed by the Company may not solicit or distribute literature in the workplace at any time for any purpose.

The Company recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working hours.

Examples of impermissible forms of solicitation include but are not limited to:

- The sale of goods, services or subscriptions outside the scope of official business needs.
- The distribution of unauthorized literature. The Company must approve all distribution of materials.

716 CORRECTIVE ACTION & PROBLEM RESOLUTION

The purpose of this policy is to outline the Company's position on the administration of fair and equitable corrective action for unsatisfactory conduct and/or performance deficiencies.

At management's discretion, corrective action may occur when, in the Company's judgment, the process will be effective in changing employee behavior, when behavior or work performance does not impose a hardship to the Company or to another individual. The Company reserves the right to terminate an employee without using the corrective action process.

722 WORKPLACE ETIQUETTE

The Company strives to maintain a positive work environment where employees treat each other with respect and courtesy. Sometimes issues arise when employees are unaware that their behavior in the workplace may be disruptive, offensive, or annoying to others. Employees are asked to take a common sense approach to resolving issues appropriately.

As a general rule, some examples of workplace etiquette include:

- Use a private setting to discuss personal and private issues.
- Use "inside voices" in the Store to avoid disrupting others and to ensure the privacy of the conversation at hand.
- Keep Store business in the Store. Do not discuss Store business outside of the Store.
- Keep personal conversations away from Customer areas.
- Clean up after yourself. Leave the area in good working order.
- Maintain a state of calm and good will. Avoid loss of control or inappropriate outbursts.
- Follow the rules, policies and work schedules as stated by management.

776 PROTECTING CUSTOMER AND SITE OPERATION INFORMATION

Protecting Customer and site operation information is the responsibility of every employee. All employees must share a common interest in ensuring that Customer and site operation information is not improperly or accidentally disclosed.

Due to the nature of our business, Customer and Store Operations confidentiality is strictly enforced. Do not discuss the confidential business of our Customers or Store Operations with anyone who does not work for our Store Operations. Discussions regarding confidential Customer or Store Operations business with other employees are also prohibited, unless it is a necessary work-related function.

All telephone inquiries regarding a current or former employee should be directed to the Department of Human Resources.

778 CARE OF STORE OPERATION RECORDS

Store operations maintain critical and proprietary records. Store/Site records should be returned to the appropriate filing cabinet following documentation. Store/Site records may not be removed from the premises for any reason.

Store/Site documents and records should be handled with care and not disfigured in any way. Falsification of Store/Site records is strictly prohibited.

779 CONFIDENTIAL BUSINESS NONDISCLOSURE

The Company's Confidential Business Information is of substantial value and is highly confidential (not known to the general public). It constitutes the professional and trade secrets of the Company and is being provided and disclosed to employees solely for use in connection with their employment by the Company. Employees are required to take reasonable efforts to maintain its secrecy.

In consideration of employment and receipt of the above-described information (the "Information") employee must agree to:

- 1) regard and preserve the Information as highly confidential and as the trade secrets of the Company;
- 2) not disclose, nor permit to be disclosed, any of the Information to any person or entity, absent written consent and approval from the Company;
- 3) not photocopy or duplicate, and will not permit any person to photocopy or duplicate, any of the Information without the Company's written consent and approval;
- 4) not make any use of Information for the employee's own benefit or the benefit of any person or entity other than the Company;
- 5) return all information to the Company upon termination, and will execute the Termination Certification certifying compliance with this provision.

Nothing in this policy alters the at-will nature of the employment relationship.

781 GRATUITIES AND GIFTS

Employees may not accept gifts, including money, tickets, meals, trips, goods or services from outside entities such as vendors that maintain a business relationship with the Company or where the gift offers the appearance of a conflict of interest or inappropriate influence.

784 ON-THE-JOB TRAINING

Department supervisors are responsible for initiating on-the-job training for employees. This may include safety training, participation in off-site training and continuing education when necessary for job safety and work performance. Training will be conducted during regular working hours whenever possible.

The Company will pay for any required training programs. Employees may be evaluated from time to time to determine the effectiveness of the training program. Any questions regarding training should be directed to the employee's immediate supervisor.

SAFETY IN THE WORKPLACE

801 EACH EMPLOYEE'S RESPONSIBILITY

Safety can only be achieved through teamwork at our Company. Each employee, supervisor and manager must abide by Store Operations safety awareness by thinking defensively, anticipating unsafe situations and reporting unsafe conditions immediately.

Please observe the following precautions:

- 1) Notify your supervisor of any emergency situation. If you are injured or become sick at work, no matter how slightly, you must inform your supervisor immediately.
- 2) The unauthorized use of alcoholic beverages or illegal substances during working hours will not be tolerated. The possession of alcoholic beverages or illegal substances on the Company's property is forbidden.
- 3) Use, adjust and repair machines and equipment only if you are trained and qualified.
- 4) Get help when lifting or pushing heavy objects.
- 5) Understand your job fully and follow instructions. If you are not sure of the safe procedure, don't guess, just ask your supervisor.
- 6) Know the locations, contents and use of first aid and firefighting equipment.
- 7) Wear personal protective equipment in accordance with the job you are performing.
- 8) Comply with OSHA standards as written in our safety procedures manual.

A violation of a safety precaution is in itself an unsafe act. A violation may lead to disciplinary action, up to and including discharge.

802 CHEMICAL EXPOSURE CONTROL

To protect employees who may reasonably anticipate being occupationally exposed to chemicals used in the workplace, our Company has instituted a Health, Safety and Environmental Safety Program consistent with OSHA guidelines and individual State regulation.

Briefly, our program includes an employee exposure determination, information and training about health, safety and environmental universal precautions, engineering controls, safe Store Operations, personal protective equipment and housekeeping measures to help reduce the risks of occupational exposure. Procedures to be used following an

exposure incident and necessary record keeping are also included. These matters are discussed in our written Health, Safety and Environmental Training Manual, which is available to you in accordance with the plan.

803 OPERATOR A, B, C CERTIFICATION

As required by OSHA regulations and for your protection, our Company provides this certification training to designated employees and in compliance with State by State regulations.

804 WORKPLACE SEARCHES

To protect the property and to ensure the safety of all employees, Customers and the Company, the Company reserves the right to conduct personal searches consistent with state law with reasonable suspicion, and to inspect any packages, parcels, purses, handbags, brief cases, lunch boxes or any other possessions or articles carried to and from the Company's property. In addition, the Company reserves the right to search any employee's Store, desk, files, lockers, equipment or any other area or article on our premises. In this regard, it should be noted that all Stores, desks, files, lockers, equipment, etc. are the property of the Company, and are issued for the use of employees only during their employment. Inspection may be conducted at any time at the discretion of the Company.

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

805 WORKPLACE VIOLENCE

Violence by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to Company property in the event someone, for whatever reason, may be unhappy with a Company decision or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your supervisor at once. Do not engage in either physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, contact an emergency agency (such as 911) immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and participate in an investigation of any suspected or actual cases of workplace violence.

Violations of this policy, including your failure to report or fully cooperate in the Company's investigation, may result in disciplinary action, up to and including immediate discharge.

806 HAZARD COMMUNICATION

Our Company may use some chemicals (e.g., cleaning compounds, inks, etc.) in some of its operations. You should receive training and be familiar with the handling, use, storage and control measures relating to these substances if you will use or likely be exposed to them. Material Safety Data Sheets (MSDS) are available for inspections in your work area. You must follow all labeling requirements.

For additional information, please refer to our Company's written Health, Safety and Environmental Training Program regarding the Hazard Communication Program. If you have any questions, ask your supervisor.

807 GOOD HOUSEKEEPING

Good work habits and a neat place to work are essential for job safety and efficiency. You are expected to keep your place of work organized and materials in good order at all times. Report anything that needs repair or replacement to your supervisor.

808 SMOKING IN THE WORKPLACE

Our Company is committed to providing a safe and healthy environment for employees and visitors. Smoking is not permitted within the work place. Smoking is allowed in designated areas only as subject to the specific state ordinance.

809 IN AN EMERGENCY

Your supervisor should be notified immediately when an emergency occurs. Emergencies include all accidents, medical situations, bomb threats, other threats of violence, and the smell of smoke. If your supervisor is unavailable, contact the nearest Company official.

Should an emergency result in the need to communicate information to employees outside of business hours, your supervisor will contact you. Therefore, it is important that employees keep their personal emergency contact information up to date. Notify your supervisor in the event this information changes.

When events warrant an evacuation of the building, you should follow the instructions of your supervisor or other management or building official. You should leave the building in a quick and orderly manner. You should assemble at the pre-determined location as communicated to you by your supervisor to await further instructions or information.

Please direct any questions you may have about the Company's emergency procedures to your supervisor.

810 SUBSTANCE ABUSE

ARS FRESNO LLC has vital interests in ensuring a safe, healthy and efficient working environment for our employees, their co-workers and the Customers we serve. The unlawful or improper presence or use of controlled substances or alcohol in the workplace presents a danger to everyone. For these reasons, we have established as a condition of employment and continued employment with ARS FRESNO LLC the following substance abuse policy.

Employees are prohibited from reporting to work or working while using illegal or unauthorized substances. Employees are prohibited from reporting to work or working when the employee uses any controlled substance, except when the use is pursuant to a doctor's orders and the doctor advised the employee that the substance does not adversely affect the employee's ability to safely perform his or her job duties.

In addition, employees are prohibited from engaging in the unlawful or unauthorized manufacture, distribution, sale or possession of illegal substances and alcohol in the workplace including: on Company paid time, on Company premises, in Company vehicles or while engaged in Company activities. Employees are also prohibited from reporting for duty or remaining on duty with any alcohol in their systems. Employees are also prohibited from consuming alcohol during working hours, including meal and break periods. This does not include the authorized use of alcohol at Company-sponsored functions or activities.

Your employment or continued employment with ARS FRESNO LLC is conditioned upon your full compliance with the foregoing substance abuse policy. Any violation of this policy may result in disciplinary action, up to and including discharge. Furthermore, any employee who violates this policy who is subject to termination may be permitted in lieu of termination, at the Company's sole discretion, to participate in and successfully complete an appropriate treatment, counseling or rehabilitation program as recommended by a substance abuse professional as a condition of continued employment and in accordance with applicable federal, state and local laws.

Consistent with its fair employment policy, ARS FRESNO LLC maintains a policy of non-discrimination and reasonable accommodation with respect to recovering addicts and alcoholics, and those having a medical history reflecting treatment for substance abuse conditions. We encourage employees to seek assistance before their substance or alcohol use renders them unable to perform their essential job functions or jeopardizes the health and safety of themselves or others. ARS FRESNO LLC will attempt to assist its employees through referrals to rehabilitation, appropriate leaves of absence and other measures consistent with the Company's policies and applicable federal, state or local laws.

ARS FRESNO LLC further reserves the right to take any and all appropriate and lawful actions necessary to enforce this substance abuse policy including, but not limited to, the inspection of Company issued lockers, desks or other suspected areas of concealment, as well as an employee's personal property when ARS FRESNO LLC has reasonable suspicion to believe that the employee has violated this substance abuse policy.

For more employment information, please speak to your supervisor.

RECEIPT OF EMPLOYEE HANDBOOK AND EMPLOYMENT-AT-WILL STATEMENT

ACKNOWLEDGMENT

This is to acknowledge that I have received a copy of ARS FRESNO LLC Employee Handbook and understand that it sets forth the terms and conditions of my employment as well as the duties, responsibilities and obligations of my employment with ARS FRESNO LLC. I understand and agree that it is my responsibility to read the Employee Handbook and to abide by the rules, policies and standards set forth in the Employee Handbook.

I also acknowledge that my employment ARS FRESNO LLC is not for a specified period of time and can be terminated at any time for any reason, with or without cause or notice, by me or by ARS FRESNO LLC. I acknowledge that no oral or written statements or representations regarding my employment can alter the foregoing. I also acknowledge that no manager or employee has the authority to enter into an employment agreement - express or implied - providing for employment other than at-will.

I also acknowledge that, except for the policy of at-will employment, ARS FRESNO LLC reserves the right to revise, delete and add to the provisions of this Employee Handbook. All such revisions, deletions or additions must be in writing and must be signed by a Corporate Official and The Department of Human Resources of ARS FRESNO LLC. No oral statements or representations can change the provisions of this Employee Handbook. I also acknowledge that, except for the policy of at-will employment, terms and conditions of employment with ARS FRESNO LLC may be modified at the sole discretion of ARS FRESNO LLC, with or without cause or notice, at any time. No implied contract concerning any employment-related decision, term of employment or condition of employment can be established by any other statement, conduct, policy or Store Operations.

I understand that the foregoing agreement concerning my at-will employment status and the Company's right to determine and modify the terms and conditions of employment is the sole and entire agreement between me and ARS FRESNO LLC concerning the duration of my employment, the circumstances under which my employment may be terminated and the circumstances under which the terms and conditions of my employment may change. I further understand that this agreement supersedes all prior agreements, understandings and representations concerning my employment with ARS FRESNO LLC.

If I have questions regarding the content or interpretation of this Employee Handbook, I will bring them to the attention of my supervisor.

PRINT EMPLOYEE NAME _____

DATE _____

EMPLOYEE SIGNATURE _____