



EMPLOYEE HANDBOOK

September 2023

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Welcome to Thoroughbred Express, the premier express tunnel car wash company! We are thrilled to have you join our dynamic and dedicated team. Your skills and enthusiasm will undoubtedly contribute to our ongoing success as we strive to provide exceptional service to our valued customers.

At Thoroughbred Express, we take immense pride in our commitment to delivering top-notch car wash experiences. As a new member of our team, you will be in integral part of our mission to provide unparalleled service and maintain our reputation as the go-to car wash in town.

We believe that teamwork and a supportive work environment are key ingredients for success. As you settle in, you will discover a group of passionate individuals who are always ready to lend a helping hand. Our diverse team brings together a wealth of knowledge and expertise, and we encourage you to collaborate, learn, and grow together with us.

To ensure your smooth transition, we have organized a comprehensive onboarding program. During this period, you will receive thorough training on our state-of-the-art car wash technology, safety protocols, customer service practices, and Company policies. We want you to feel confident and well-prepared to serve our customers and contribute to our team's overall success.

Beyond the initial training, we actively promote continuous professional development. We offer various learning opportunities, including workshops, seminars, and online courses, to enhance your skills and broaden your knowledge in the car wash industry. Your personal and professional growth matter to us, and we are committed to supporting you along your career journey.

As a representative of Thoroughbred Express, you will play a pivotal role in delivering exceptional service to our customers. Your dedication, attention to detail, and friendly demeanor will create memorable experiences for everyone who visits our car wash. Together, we will exceed their expectations and establish long-lasting relationships.

Once again, welcome to the Thoroughbred Express team. We are excited to have you on board and look forward to seeing your talents shine. If you have any questions or need any assistance, please don't hesitate to reach out to your assigned mentor or any members of the management team. Let's make Thoroughbred Express the number one choice for tunnel car wash services!

Wishing you a rewarding and successful journey with us!

Thoroughbred Express Auto Wash Team!

MISSION STATEMENT

To provide an unparalleled customer experience and a premium quality car wash while making lasting contributions to the communities in which we operate.

CORE VALUES

Core values are the fundamental beliefs and principles of a person or organization. These guiding principles help with decision making, building relationships, and solving problems throughout the organization. Our core values are provided below.



Safety is the first value as it is the most important of them all. We each come to work to earn a living and provide for ourselves and our families which is why it is crucial that we always operate with safety in mind. Before taking on a new task, ensure you are utilizing all the safety items required and ask for assistance if the job should not be done by a single individual.

Accountability refers to taking responsibility for your actions, behaviors, and decisions. We are all here to provide an excellent car wash experience for our customers which requires each of us to be accountable for that experience. If you see something that doesn't meet our expectations for quality or service, bring it to your management team so it can be addressed.

Dependability focuses on reliability of our employees. We expect all employees to adhere to our attendance policy and to perform at a high level throughout their shift. Our success depends on you and our customers do to!

Development requires that that you be willing to learn new things with the understanding that you might not get it right the first time. We are invested in your success and your management team will always be there to help you perfect your sales presentation, teach you about the tunnel equipment and chemistry, and even guide you along your journey into management if you desire.

Leadership is all about building a cohesive team in which everyone feels valued. We expect our management teams to be assisting with the daily operations and setting the example for each employee. You'll even see our Director of Operations jumping in to help when needed!

Efficiency is crucial in the car wash industry. Customers have high expectations and very limited time, so we need to move throughout the property with a sense of purpose and show our customers that we know their time is valuable.

PURPOSE OF EMPLOYEE HANDBOOK

This Employee Handbook contains information about the employment policies and practices of Thoroughbred Express ("Thoroughbred Express" or the "Company"). These policies reflect the Company's values, and we expect each employee to read this Employee Handbook carefully as it is a valuable reference for understanding your job and Thoroughbred Express.

This Employee Handbook supersedes all previously issued Employee Handbooks. Except for the policy of at-will employment, Thoroughbred Express 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. No oral statements or representations can change the provisions of this Employee Handbook.

This Employee Handbook does not constitute an express or implied contract guaranteeing continued employment for any employee. No manager or supervisor has any authority to enter into a contract of employment express or implied that changes or alters the fact that employment with Thoroughbred Express is at-will. Only the Director of Operations of the Company has the authority to enter into an employment agreement that alters the fact that employment with the Company is at-will, and any such agreement must be in writing signed by the Director of Operations.

Not all of the Company's policies and procedures are set forth in this Employee Handbook. We have summarized only some of the more important ones. If an employee has any questions or concerns about this Employee Handbook or any other policy or procedure, please ask your supervisor, The Director of Operations, or another member of management.

Nothing in this Handbook or in any other document or policy is intended to violate any local, state, or federal law. Nothing in this Handbook is intended to limit any concerted activities by employees relating to their wages, hours or working conditions, or any other conduct protected by Section 7 of the National Labor Relations Act. Furthermore, nothing in this Handbook prohibits an employee from reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other

information to, or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission (“EEOC”), National Labor Relations Board (“NLRB”), Securities and Exchange Commission (“SEC”) or any other federal, state or local agency charged with the enforcement of any laws.

EMPLOYMENT AT-WILL

Employment with Thoroughbred Express is at-will unless state law provides otherwise. This means that employment may be terminated for any or no reason, with or without cause or notice at any time by the employee or by the Company. Nothing in this Handbook or any oral statement shall limit the right to terminate at-will. This at-will employment policy is the sole and entire agreement between the employee and Thoroughbred Express regarding the fact that employment with the Company is at-will. No manager or supervisor has any authority to enter into a contract of employment express or implied that changes the fact that employment with the Company is at-will. Only the Director of Operations of the Company has the authority to enter into an employment agreement that alters the fact that employment with the Company is at-will, and any such agreement must be in writing signed by the Director of Operations.

COMMITMENT TO DIVERSITY

Equal Employment Opportunity

Thoroughbred Express is an equal opportunity employer. In accordance with applicable law, we prohibit discrimination against any applicant or employee based on any legally-recognized basis, including, but not limited to: race, color, religion, sex (including pregnancy, lactation, childbirth or related medical conditions), sexual orientation, gender identity, age (40 and over), national origin or ancestry, citizenship status, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status or any other status protected by federal, state or local law. Our commitment to equal opportunity employment applies to all persons involved in our operations and prohibits unlawful discrimination by any employee, including supervisors and co-workers.

The Company also complies with Washington law, which prohibits discrimination and harassment against employees or applicants for employment based on race (including traits historically associated or perceived to be associated with race, such as hair texture and protective hairstyles (e.g., afros, braids, locks and twists)), creed, color, religion, sex, marital status, sexual orientation (including gender identity and expression), pregnancy (including a woman’s potential to get pregnant, pregnancy-related conditions and childbearing), physical, mental or sensory disability (including the use of a trained dog guide or service animal), military status or status as an honorably discharged veteran, HIV/AIDS or hepatitis C status, status as an actual or perceived victim of domestic violence, sexual assault or stalking and genetic information. The Company will not tolerate discrimination or harassment based upon these characteristics or any other characteristics protected by applicable federal, state or local law. The Company also prohibits unlawful discrimination on the basis of immigration status.

Sexual and Other Prohibited Harassment

Thoroughbred Express is committed to providing a work environment that is free of prohibited harassment. As a result, the Company maintains a strict policy prohibiting sexual harassment and harassment against applicants and employees based on any legally-recognized status, including, but not limited to: race, color, religion, sex, pregnancy (including lactation, childbirth or related medical conditions), sexual orientation, gender identity, age (40 and over), national origin or ancestry, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status or any other status protected by federal, state or local law.

The harassment proscribed by this policy applies to conduct by any person involved in our operations, including coworkers, supervisors, managers, temporary or seasonal workers, agents, vendors, customers, or any other third party involved in the Company's operations, and this policy specifically prohibits conduct that creates or contributes to a hostile or offensive working environment for any Company employee or applicant. If such harassment occurs that an employee believes to be a violation of this policy, the procedures in this policy should be followed.

The Company prohibits unlawful harassment, including sexual harassment, as well as conduct that does not rise to the level of being unlawful. This policy is not designed or intended to limit the Company's authority to discipline or take remedial action for conduct that violates this policy that the Company deems unacceptable, regardless of whether that conduct satisfies the definition of unlawful harassment, sexual harassment or retaliation.

Sexual Harassment Defined

Sexual harassment includes unwanted sexual advances, requests for sexual favors or visual, verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of employment; or
- Submission to, or rejection of, such conduct is used as a basis for employment decisions affecting the individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment includes various forms of offensive behavior based on sex. The following is a non-exhaustive list of the types of conduct prohibited by this policy:

- Unwanted sexual advances or propositions (including repeated and unwelcome requests for dates).
- Offers of employment benefits in exchange for sexual favors.

- Making or threatening reprisals after a negative response to sexual advances
- Visual conduct: leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons, posters, websites, emails, or text messages.
- Verbal conduct: making or using sexually derogatory comments, innuendos, epithets, slurs, sexually explicit jokes, or comments about an individual's body or dress, whistling, or making suggestive or insulting sounds.
- Verbal and/or written abuse of a sexual nature, graphic verbal and/or written sexually degrading commentary about an individual's body or dress, sexually suggestive or obscene letters, notes, invitations, emails, text messages, tweets, or other social media postings.
- Physical conduct: touching, assault or impeding or blocking normal movements.
- Retaliation for making reports or threatening to report sexual harassment.

Other Types of Harassment

Harassment on the basis of any legally protected status is prohibited, including harassment based on: race, color, religion, sex, pregnancy (including lactation, childbirth or related medical conditions), sexual orientation, gender identity, age (40 and over), national origin or ancestry, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status or any other status protected by federal, state or local law. Prohibited harassment may include behavior similar to the illustrations above pertaining to sexual harassment. It also includes, but is not limited to:

- Verbal conduct including taunting, jokes, threats, epithets, derogatory comments, or slurs based on an individual's protected status.
- Visual and/or written conduct including derogatory posters, photographs, calendars, cartoons, drawings, websites, social media, emails, text messages or gestures based on an individual's protected status.
- Physical conduct including assault, unwanted touching or blocking normal movement because of an individual's protected status.

Protection Against Retaliation

Retaliation is prohibited against any person by another employee or by the Company for using this complaint procedure, reporting proscribed harassment, or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding or hearing conducted by a governmental enforcement agency. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, failure to hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions or otherwise denying any employment benefit.

An employee should report any retaliation prohibited by this policy to their supervisor, any management team member or to Human Resources via email at hr@thoroughbredexpress.com. Any report of retaliatory conduct will be investigated in a thorough and objective manner. If a report of retaliation is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken.

Discrimination, Harassment and Retaliation Complaint Procedure

Any applicant or employee who believes they have been subjected to prohibited harassment, discrimination or retaliation by a co-worker, supervisor, manager, visitor, vendor, customer or temporary or seasonal worker of the Company, or who believes another individual has been subject to such conduct, should report it immediately. Applicants and employees are encouraged to report concerns, even if they relate to incidents in the past, involve individuals who are no longer affiliated with the Company, or concern conduct occurring outside of work if it impacts the individual at work.

Complaints can be made verbally, or in writing, to the highest-ranking on-site supervisor or manager or to Human Resources via email at hr@thoroughbredexpress.com. Employees are not required to report any prohibited conduct to a supervisor or manager who may be hostile, who has engaged in such conduct, who is a close associate of the person who has engaged in such conduct, or with whom the employee is uncomfortable discussing such matters.

Employees are encouraged, but not required, to communicate to the offending person that the person's conduct is offensive and unwelcome. Any supervisor or manager who receives a complaint of harassment or retaliation must immediately report the allegation to Human Resources via email at hr@thoroughbredexpress.com.

After a report is received, a thorough and objective investigation will be undertaken. Confidentiality will be maintained to the extent practical and permitted by law. Investigations will be conducted as confidentially as possible and related information will only be shared with others on a need-to-know basis. The investigation will be completed, and a determination made and communicated to the employee as soon as practical. The Company expects all employees to fully cooperate with any investigation conducted by the Company into a complaint of proscribed harassment, discrimination, or retaliation, or regarding the alleged violation of any other Company policies.

If a complaint of prohibited harassment or discrimination is substantiated, appropriate disciplinary action, up to and including termination of employment, will be taken. If a complaint cannot be substantiated, the Company may take appropriate action to reinforce its commitment to providing a work environment free from harassment.

The Equal Employment Opportunity Commission ("EEOC") and equivalent state agencies will accept and investigate charges of unlawful discrimination and harassment at no charge to the complaining party. The nearest office of the EEOC and equivalent state agencies can be found in your local telephone directory or online at www.eeoc.gov.

Supervisor's and Manager's Responsibility

All supervisors and managers are responsible for:

- Implementing this policy, which includes, but is not limited to, taking steps to prevent harassment and retaliation.
- Ensuring that all employees under their supervision have knowledge of and understand this policy.
- Promptly reporting any complaints to Human Resources via email at hr@thoroughbredexpress.com so they may be investigated and resolved in timely manner.
- Taking and/or assisting in prompt and appropriate corrective action when necessary to ensure compliance with this policy.
- Conducting themselves, at all times, in a manner consistent with this policy.

Failure to meet these responsibilities may lead to disciplinary action, up to and including termination.

Good Faith

The initiation of a good faith complaint of harassment or retaliation will not be grounds for disciplinary action, even if the allegations cannot be substantiated. Any individual who makes a complaint that is demonstrated to be intentionally false may be subject to discipline, up to and including termination.

Accommodations

Disability Accommodation

To comply with applicable laws ensuring equal employment opportunities for individuals with disabilities, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee, unless undue hardship and/or a direct threat to the health and/or safety of the individual or others would result. Any employee who requires an accommodation in order to perform the essential functions of their job, enjoy an equal employment opportunity, and/or obtain equal job benefits should contact the Human Resources to request such an accommodation. Human Resources will communicate with the employee and engage in an interactive process to determine the nature of the issue and what, if any, reasonable accommodation(s) may be appropriate. In some cases, this interactive process may be triggered without a request from the employee, such as when the Company receives notice from its own observation or another source that a medical impairment may be impacting the employee's ability to perform essential job functions.

Employees who believe they need an accommodation must specify, preferably in writing, what barriers or limitations prompted the request. The Company will evaluate information obtained from the employee, and possibly the employee's health care provider or another appropriate health care provider, regarding any reported or apparent barriers or limitations, and will then work with the employee to identify possible accommodations, if any, that will help to eliminate or otherwise address the barrier(s) or limitation(s). If an identified accommodation is reasonable and will not impose an undue hardship on the Company and/or a direct threat to the health and/or safety of the individual or others, the Company will generally make the accommodation, or it may propose another reasonable accommodation which may also be effective. Employees are required to cooperate with this process by providing all necessary documentation supporting the need for accommodation and being willing to consider alternative accommodations when applicable.

Employees who wish to request unpaid time away from work to accommodate a disability should speak to Human Resources.

Religious Accommodation

The Company will provide reasonable accommodation for employees' religious beliefs, observances, and practices when a need for such accommodation is identified and reasonable accommodation is possible. A reasonable accommodation is one that eliminates the conflict between an employee's religious beliefs, observances, or practices and the employee's job requirements, without causing undue hardship to the Company.

The Company has developed an accommodation process to assist employees, management, and The Director of Operations. Through this process, the Company establishes a system of open communication between employees and the Company to discuss conflicts between religion and work and to take action to provide reasonable accommodation for employees' needs. The intent of this process is to ensure a consistent approach when addressing religious accommodation requests. Any employee who perceives a conflict between job requirements and religious belief, observance, or practice should bring the conflict and request for accommodation to the attention of the Human Resources to initiate the accommodation process. The Company requests that accommodation requests be made in writing, and in the case of schedule adjustments, as far in advance as possible.

Pregnancy Accommodation

In accordance with the federal Pregnant Workers Fairness Act ("PWFA"), the Company will make reasonable accommodations for known physical or mental limitations related to the pregnancy, childbirth or related medical conditions of a qualified applicant or employee, unless the accommodation would impose an undue hardship on the operation of the Company's business.

Under this policy, reasonable accommodations include: providing more frequent, longer or flexible restroom breaks; modifying a no food or drink policy; job restructuring, part-time or modified work schedules, or reassignment to a vacant position; acquiring or

modifying equipment, devices, or an employee's work station; providing seating or allowing the employee to sit more frequently if her job requires her to stand; providing for a temporary transfer to a less strenuous or less hazardous position; providing assistance with manual labor and limits on lifting; scheduling flexibility for prenatal visits; and any further pregnancy accommodation an employee may request, which the Company will give reasonable consideration in consultation with information provided on pregnancy accommodation by the Department of Labor and Industries or the employee's attending health care provider, as applicable.

The Company may request that an employee seeking an accommodation under this policy provide written certification from her treating health care professional regarding the need for accommodation, except that the Company will not request written certification for the following accommodations: (1) providing more frequent, longer or flexible restroom breaks; (2) modifying a no food or drink policy; (3) providing seating or allowing the employee to sit more frequently if her job requires her to stand; (4) limits on lifting over 17 pounds; or (5) reasonable break time and a private location to express breast milk.

"Known physical or mental limitations" are those that the applicant, employee or their representative has communicated to the Company. Employees or applicants who wish to inform the Company of a limitation and/or request a reasonable accommodation under this policy should contact Human Resources, preferably specifying in writing, what barriers or limitations prompted the request. Human Resources will evaluate information provided regarding any reported or apparent barriers or limitations and will then communicate with the applicant or employee and engage in an interactive process to determine the nature of the limitation and what, if any, reasonable accommodation(s) may be appropriate. If, through this interactive process, the Company and the individual arrive at a reasonable accommodation that does not impose an undue hardship on the operation of the Company's business, the Company will make that accommodation.

Employees who wish to request time away from work to accommodate a limitation related to pregnancy, childbirth or a related medical condition should contact the Human Resources. However, the Company will not require a qualified employee to take leave if another reasonable accommodation can be provided.

A number of states and localities have laws that apply to employees affected by pregnancy, childbirth, or related medical conditions. For individuals working in a jurisdiction that has a mandatory pregnancy accommodation law, the Company will comply with all legal requirements, including providing greater or different benefits than those indicated here.

The Company prohibits discrimination on the basis of pregnancy, childbirth or related medical conditions. The Company also will not interfere with any individual's rights under the PWFA or take adverse action against a qualified applicant or employee because they request or use reasonable accommodations in accordance with this policy, report or oppose discrimination under the PWFA, or participate in a proceeding involving an alleged violation of the PWFA. Individuals who believe they have been subjected to, or believe that another individual has been subjected to, prohibited

discrimination or retaliation should report it immediately to Human Resources via email at hr@thoroughbredexpress.com.

Victims of Domestic Violence, Sexual Assault or Stalking Accommodation

The Company will make reasonable safety accommodations for employees who are the actual or threatened victim of domestic violence, sexual assault or stalking and request that the Company accommodate their safety while at work, unless providing the accommodation would impose an undue hardship on the Company's business operations.

Reasonable accommodations may include, but are not limited to: a transfer; reassignment; modified work schedule; change in work telephone number; change in work email address; change in work station; installed locks; implemented safety procedures or other adjustment to job structure, workplace facilities or work requirements in response to actual or threatened domestic violence, sexual assault or stalking.

The Company may require verification that the employee or family member is a victim of domestic violence, sexual assault or stalking and that the requested accommodation is for the purpose of protecting the employee from domestic violence, sexual assault or stalking. Verification may be provided by the employee's written statement confirming these facts or by other appropriate documentation, such as a police report or court order, and must be provided in a timely manner.

Employees will not be required to provide additional information beyond this required verification, or information that would compromise their safety or the safety of their family members. The Company will maintain the confidentiality of all information employees provide regarding their request for a safety accommodation, including the fact that the employee or a family member is a victim and any written or oral statements, documentation or evidence provided by the employee in support of the accommodation request. The Company will not disclose such information unless requested or consented to by the employee, ordered by a court or administrative agency or otherwise required by applicable federal or state law.

Employees may also be entitled to a leave of absence under the company's Domestic Violence, Sexual Assault or Stalking Victim Leave policy and should consult that policy and/or Human Resources for additional information.

The Company will not terminate, threaten to terminate, demote or otherwise discriminate or retaliate against an employee because the employee requests or uses an accommodation in accordance with this policy, files or communicates to the Company an intent to file a complaint alleging a violation of Washington's law on reasonable safety accommodations for domestic violence victims or participates or assists in another employee's attempt to exercise rights under that law.

Employees who have questions about this policy or who wish to request a reasonable accommodation under this policy should contact the Human Resources.

Lactation Accommodation

Employees may request a reasonable accommodation for their pregnancy and pregnancy-related health conditions, including the need to express breast milk. The Company will provide reasonable accommodations to requesting employees unless doing so would impose an undue hardship on the Company's business, consistent with all applicable law.

Reasonable accommodations also include reasonable break time for an employee to express breast milk for up to two years after the child's birth. The Company will provide a private location, other than a bathroom, and reasonable break time each time the employee has a need to express milk.

Unless the Company does so or would do so for other classes of employees who need accommodation, accommodation under this policy does not include creating additional employment that the Company would not otherwise have created or discharging any employee, transferring any employee with more seniority, or promoting any employee who is not qualified to perform the job.

The Company will not discriminate or retaliate against employees who request, decline, or use an accommodation under this policy. In addition, the Company will not require an employee to take leave if another reasonable accommodation can be provided for the employee's pregnancy.

Employees who have questions about this policy or who wish to request reasonable accommodation under this policy should contact the Human Resources.

GENERAL EMPLOYMENT PRACTICES

Employee Classifications

The following designations are used throughout this Employee Handbook.

Exempt Employees

Exempt employees are employees whose job assignments meet specific tests established by the federal Fair Labor Standards Act (FLSA) and state law and who are exempt from minimum wage and overtime pay requirements. Exempt employees are compensated on a salary basis.

Nonexempt Employees

Nonexempt employees are employees whose job positions do not meet FLSA or applicable state exemption tests, and who are NOT exempt from minimum wage and overtime pay requirements. Nonexempt employees are eligible to receive overtime pay for hours worked in excess of 40 hours in a given week, or as otherwise required by applicable state law.

Full-Time Employees

Full-time employees are those who are normally scheduled to work and who do work a schedule of 30 or more hours per week.

Part-Time Employees

Part-time employees are those who are normally scheduled to work and who do work less than 30 hours per week. Part-time employees may be assigned a work schedule in advance or may work on an as-needed basis.

Romantic and Family Relationships at Work

We will not take any adverse employment action against any employee for engaging in romantic relationships during nonworking hours away from Company premises. However, we will consider such relationships when they affect an employee's job performance, occur during working time or on Company premises, or pose a danger of a conflict of interest.

A familial or intimate relationship among employees can create an actual or at least potential or perceived conflict of interest in the employment setting, especially where one relative, spouse, partner, or member of such a relationship supervises another relative, spouse, partner, or member. To avoid this problem, we may refuse to hire or place a relative or other intimately associated individual in a position where the potential for favoritism or a conflict exists.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. In other cases where a conflict or the danger of a conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or terminated from employment, at the discretion of the Company.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage (e.g., domestic partnership or civil union status).

Voluntary Open Door Policy

We recognize that employees may have suggestions for improving our workplace, as well as complaints about the workplace. We feel that the most satisfactory solution to a job-related problem or concern is usually reached through a prompt discussion with an employee's supervisor. Employees should feel free to contact their supervisors, another member of management, or the Director of Operations with any suggestions and/or complaints.

While we provide employees with this opportunity to communicate their views, please understand that not every complaint can be resolved to the employee's satisfaction. Even so, we believe that open communication is essential to a successful work

environment and all employees should feel free to raise issues of concern without fear of reprisal.

Please note that some Company policies, such as the Sexual and Other Prohibited Harassment policy, contain specific reporting procedures that should be followed. Employees should utilize this Voluntary Open Door policy for reports and ideas that are not addressed through the Company's specific reporting procedures.

WORKPLACE CONDUCT

Standards of Conduct

To ensure safety and security and provide the best possible work environment, we expect employees to follow basic, common-sense rules of conduct that will protect everyone's interests and safety. It is not possible to list all the forms of behavior that are considered unacceptable in the workplace, but the following are examples of infractions of rules of conduct that may result in disciplinary action, including suspension, demotion or termination of employment:

- Falsification of employment records, employment information or other records.
- Recording the work time of another employee, allowing any employee to record another employee's work time, or allowing falsification of any timecard, whether yours or another employee's.
- Theft or the deliberate or careless damage of any Company property or the property of any employee or client.
- Use of Company materials, supplies, tools, or products for personal reasons without advanced permission from management.
- Abuse of the Company's electronic resources, including sending personal emails during working time or in a manner that interferes with the employee's work performance.
- Possessing, distributing, selling, transferring, or using or being under the influence of alcohol or illegal drugs in the workplace.
- Provoking a physical fight or engaging in physical fighting during working hours or on premises owned or occupied by the Company.
- Carrying firearms, weapons, or dangerous substances at any time, on premises owned or occupied by the Company, unless state law provides otherwise.
- Using abusive, violent, threatening or vulgar language at any time during working hours or while on premises owned or occupied by the Company.

- Absence of 3 consecutive scheduled workdays without prior notice to the Company.
- Failing to obtain permission to leave work during normal working hours.
- Failing to observe working schedules, including meal and rest breaks.
- Abusing or misusing paid sick leave (note: for employees subject to mandatory sick leave laws, the provisions of the applicable policy govern sick leave issues).
- Failing to provide a certificate from a health care provider when requested or required to do so in accordance with applicable law.
- Working overtime without authorization or refusing to work assigned hours.
- Violating any policy, rule, or procedure of the Company, including the policies set forth in this Handbook.
- Committing a fraudulent act or intentional breach of trust under any circumstances.

Although employment may be terminated at-will by either the employee or the Company at any time, without following any formal system of discipline or warning, we may exercise discretion to utilize forms of discipline that are less severe than termination. Examples of less severe forms of discipline include verbal warnings, written warnings, demotions, and suspensions. Although one or more of these forms of discipline may be taken, no formal order or procedures are necessary. The Company reserves the right to determine which type of disciplinary action to issue in response to any type of performance issue or rule violation.

This statement of prohibited conduct does not alter or limit the policy of at-will employment. Either the employee or the Company may terminate the employment relationship at any time for any reason, with or without cause, and with or without notice.

Confidential Company Information

The Company's confidential and proprietary information is vital to its current operations and future success. Each employee should use all reasonable care to protect or otherwise prevent the unauthorized disclosure of such information. In no event should employees disclose or reveal confidential information within or outside the Company without proper authorization or purpose.

"Confidential Information" refers to a piece of information, or a compilation of information, in any form (on paper, in an electronic file, or otherwise), related to the Company's business that the Company has not made public or authorized to be made public, and that is not generally known to the public through proper means.

By way of example, confidential or proprietary information includes, but is not limited to, nonpublic information regarding the Company's business methods and plans, databases, systems, technology, intellectual property, know-how, marketing plans, business development, products, services, research, development, inventions, financial statements, financial projections, financing methods, pricing strategies, customer sources, employee health/medical records, system designs, customer lists and methods of competing. Additionally, employees who by virtue of their performance of their job responsibilities have the following information, should not disclose such information for any reason, except as required to complete job duties, without the permission of the employee at issue: social security numbers, driver's license or resident identification numbers, financial account, credit or debit card numbers, security and access codes or passwords that would permit access to medical, financial or other legally protected information.

Confidential Information does not include information lawfully acquired by non-management employees about wages, hours or other terms and conditions of employment, if used by them for purposes protected by §7 of the National Labor Relations Act such as joining or forming a union, engaging in collective bargaining, or engaging in other concerted activity for their mutual aid or protection. Confidential Information also does not include: conduct that was, or that an employee reasonable believes to be, illegal; conduct that is recognized as against a clear mandate of public policy; or the existence of a non-confidential settlement involving any such conduct. Nothing in this Employee Handbook prohibits an employee from communicating with any governmental authority or making a report in good faith and with a reasonable belief of any violations of law or regulation to a governmental authority, or disclosing Confidential Information which the employee acquired through lawful means in the course of employment to a governmental authority in connection with any communication or report, or from filing, testifying or participating in a legal proceeding relating to any violations, including making other disclosures protected or required by any whistleblower law or regulation to the Securities and Exchange Commission, the Department of Labor, or any other appropriate government authority.

Further, employees are hereby notified that under the 2016 Defend Trade Secrets Act (DTSA): (1) no individual will be held criminally or civilly liable under Federal or State trade secret law for the disclosure of a trade secret (as defined in the Economic Espionage Act) that: (A) is made **in** confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and, (2) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court or arbitration proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by order in that proceeding.

Personal Appearance

The image Thoroughbred Express projects to the public is reflected in the appearance of our employees. Simply stated, employees should look well-groomed and should be dressed appropriately for their specific duties. Employees are expected to use good judgment in their appearance and grooming, keeping in mind the nature of the work, their own safety and the safety of co-workers, and their need to interact with the public.

Hygiene

At Thoroughbred Express, we strive to ensure our customers feel welcomed into our well maintained and clean facilities. Our employees are in close contact with customers and fellow employees and are expected to maintain good hygiene. It is imperative that all reasonable personal grooming standards are upheld which includes, but is not limited to:

- Showering daily before arriving to work.
- Brushing teeth daily before arriving to work.
- Using deodorant or antiperspirant on a regular basis.
- Limiting the use of cologne, after shave, and perfumes so customers and fellow team members aren't overwhelmed with the scent.
- Limiting the consumption of substances that can have strong odors (cigarettes, chewing tobacco, vape pens, garlic, onions, etc.) and ensuring that all strong odors are removed prior to interacting with customers or fellow team members.
- Fingernails must be clean and well maintained.

Uniform

All employees are required to wear the appropriate uniform while performing their jobs. The standard uniform requirement for Thoroughbred Express is:

- Dark colored, non-denim, dress slacks or pants with belt loops. Elastic, spandex, and yoga-type pants and ripped or torn pants are not permitted.
- Belt must be worn, and it must be a solid dark colored, non-scratch belt to prevent vehicle damage.
- A Company-issued polo, which must be always tucked in.
- During colder months, Company-issued polos may be worn over dark, tight fitting, long-sleeved shirts.
- All visible socks must be solid black with no visible logos or patterns.
- A Company-issued (only) jacket may be worn.

- A Company-issued (only) hat or beanie.

Safety

The following safety precautions are in place to ensure a safe working environment for all employees and customers:

- Dark colored, closed toe, shoes with laces or velcro closures. Slip-on shoes are not permitted. Slip resistant shoes are encouraged.
- Nothing may be attached or hanging from clothing, including chains, keys, lanyards, large buckles, cell phones, and electronic devices.
- Company-issued safety glasses are always required while working.
- Pants must be worn at the natural waistline and may not sag or drag on the ground.
- Jewelry: while we prefer that no jewelry is worn so we can avoid damaging customer vehicles, if jewelry is worn, the following guidelines must be followed:
 - No bracelets are permitted (regardless of material).
 - Watches and fitness devices must be made of rubber or have a rubber case.
 - Necklaces should be tucked underneath your shirt.
 - Rings are not permitted except for one wedding band/ring set.

Nails and Hands

- Fingernails may not exceed a quarter of an inch beyond the fingertip.
- Unnatural shapes or ornamentation of the fingernails are not permitted.

Tattoos

- Tattoos are permitted so long as they don't contain obscene, offensive, profane, racist, sexual, or otherwise inflammatory or inappropriate words or imagery.
- Non-compliant tattoos must be covered.
- Tattoos must not be visible from the polo collar and up. Exceptions may be made for neck tattoos that do not detract from a professional appearance. Exceptions can only be made in writing by the Director of Operations.

Hair

- Hair must be clean, neat, and a natural hair tone (colored highlights are permitted).

- A neat, natural haircut and hairstyle is important to a professional appearance. Extreme styles such as shaving or sculpting a design in the hair or allowing the hair to fall into your eyes is not permitted.
- Wearing artificial hair is acceptable if it appears natural.
- Hair that would otherwise touch the shirt collar must be pulled back and secured.
- Conservative braided hairstyles without beads or ornamentation are permitted.
- Sideburns must be neatly trimmed and no longer than the middle of the ear.
- Beards, goatees, and mustaches are permitted if the hair does not exceed one half inch (½") in length and is well kept.

We encourage employees to seek the advice of their supervisor or another members of management if they have questions regarding appropriate dress or appearance at work. Employees who report to work improperly dressed or groomed may be instructed by their supervisor to return home to change. The time that nonexempt employees are absent for this purpose will be unpaid unless state law requires otherwise.

Nothing in this policy is intended to prevent employees from wearing a hair or facial hair style that is consistent with their cultural, ethnic, or racial heritage or identity. This policy will be interpreted to comply with applicable local, state, or federal law.

Religious, Medical and Disability Accommodations

The Company will reasonably accommodate exceptions to this policy if required due to an employee's religious beliefs, medical condition, or disability. Employees who need such an accommodation should contact their supervisor or Human Resources.

Attendance and Punctuality

Employees are expected to be regular in attendance and to be punctual. If employees are absent, their work generally must be performed by others or go undone. To limit problems caused by employees' unapproved absences, we have adopted the following policy.

Employees are expected to report to work as scheduled, be on time and be prepared to start work. Employees are also expected to remain at work for their entire work schedule, except for meal or break periods, or when required to leave on authorized Company business or other authorized reason. Unapproved late arrivals, early departures or other absences from scheduled hours are disruptive and must be avoided.

If an employee is unable to report for work on any day, they must call their supervisor at least one hour in advance of the time the employee is scheduled to begin working for that day (unless it is impossible to do so, in which case the employee must call as soon as possible thereafter). Phone calls are the only accepted method in which an absence

notification will be accepted. Texts, emails, Snap Chats, telling a co-worker, leaving a voicemail, etc., will not be accepted. Unless otherwise provided by law, any notification other than an answered phone call from your direct manager will result in the absence being classified as a “No-Call-No-Show”.

Employees who need to leave early must notify their supervisor as soon as they learn that they will not be able to complete their scheduled shift. The Company may inquire about the general reason for an absence, tardiness, or early departure. Unless extenuating circumstances exist, employees must call in on each scheduled day on which they will not report to work, unless they are on an approved leave of absence.

Excessive absenteeism or tardiness may result in disciplinary action up to and including termination of employment unless the absence or tardiness is excused or approved. The following are examples of types of time off that will not be considered grounds for disciplinary action under this policy:

- Time off that was previously approved, including PTO.
- Paid sick and safe time provided under a mandatory sick and safe time leave law.
- Approved state and federal time off or leaves of absence, including but not limited to jury duty leave, military leave, family leave protected by law, and time off or leave specifically approved by the Company as an accommodation under the Americans with Disabilities Act or similar state laws.
- Time off due to a work-related injury that is covered by workers’ compensation.

Each situation of absenteeism, tardiness or early departure will be evaluated on a case-by-case basis. Even one unexcused absence or tardiness may be considered excessive, depending upon the circumstances. However, the Company will not subject employees to disciplinary action or retaliation for an absence, tardiness or early departure for which discipline may not be imposed under applicable law. If the employee believes that an absence, tardiness, or early departure is (or should be) excused pursuant to applicable law, the employee should notify their manager of this fact as soon as possible, but no later than at the time of the absence, tardiness, or early departure. (For the required timing of an employee’s notice of the need for a foreseeable leave of absence, see the applicable leave policy). If an employee believes they have mistakenly been subject to disciplinary action for an absence, tardiness, or early departure that the employee believes is or should be excused/approved, the employee should promptly discuss the matter with their manager or the Director of Operations. The Company will investigate the situation and any errors will be corrected.

Employees who fail to report for work without any notification to their supervisor and whose absence continues for a period of 3 days (No Call / No Show) will be considered to have abandoned and voluntarily terminated their employment, absent extraordinary circumstances.

Personal Devices

Employees should only engage in personal phone calls and communications and other use of personal electronic devices during nonworking time, including breaks and meal periods. Headphones, earbuds, tablets, personal speakers, and any similar devices or equipment should never be used while working and should be stored in a locker or vehicle when the employee is working. Personal devices not only distract the user from their environment, but they can negatively impact the customer experience and be a safety hazard.

Store Phone

The store phone is reserved for Company related business only. Customers call seeking information about our business and expect the phone to be answered so they can be assisted. Utilizing the store phone for personal reasons must be authorized by the manager on duty and even then, calls must be kept as short as possible to allow for customers to contact the location.

Personal Guests and Visitors

For safety, security, and productivity reasons, employees are asked to minimize visits from friends and family during working hours. Visitors are not permitted in “employee only” areas nor are they permitted in the building before or after operating hours. If an unauthorized individual is observed on our premises, employees should direct the individual to designated customer areas or, if necessary, notify their manager immediately.

Conflicts of Interest

All employees must conduct themselves in such a way as to avoid actual or potential conflicts of interest. The following are examples of prohibited conflicts of interest in any aspect of their jobs:

- Acting as a director, officer, consultant, agent or employee of a supplier, customer, competitor, or any entity that engages in business with the Company.
- Owning a material interest in or being a creditor of or having other financial interest in a supplier, customer, competitor, or any entity that engages in business with the Company.
- Receiving from or giving to any supplier, customer or competitor gifts, gratuities, special allowances, discounts, or other advantages not generally available to employees of the Company.
- Having any significant direct or indirect personal interest in a business transaction involving the Company.
- Conducting outside activities that materially detract from or interfere with the full and timely performance of an employee’s job duties for the Company.

- Influencing commercial transactions involving purchases, contracts or leases in a way that would have a negative impact on the Company or its business.

If an employee has, or is considering a financial interest or outside employment relationship that might involve a conflict of interest, or if the employee is in doubt concerning the proper application of this policy, they should promptly discuss the matter with the Director of Operations and refrain from exercising responsibility on the Company's behalf in any manner that might reasonably be considered to be affected by any adverse interest.

Failure to disclose the fact of a conflict or potential conflict may constitute grounds for disciplinary action.

This policy in no way prohibits employee affiliations or activities that are protected under applicable state and federal laws, including but not limited to any activity that is protected under Section 7 of the National Labor Relations Act, which includes the right of employees to organize collectively and to speak with others about their terms and conditions of employment.

Outside Employment

The Company respects each employee's right to engage in activities outside of employment such as those that are of a personal or private nature, to the extent that such activities do not create a conflict of interest as described in the Conflicts of Interest policy set forth in this Handbook or adversely affect the employee's ability to perform their job. Under certain circumstances, however, if an employee's personal conduct adversely affects performance on the job or makes it impossible for the employee to carry out any or all job duties while at work, appropriate disciplinary action up to and including termination of employment may be appropriate.

An example of an activity that might adversely affect an employee's ability to perform their job duties is outside employment. While the Company does not prohibit employees from holding other jobs, the following types of outside employment are generally prohibited (to the extent allowed under applicable law):

- Employment that conflicts with the employee's work schedule, duties and responsibilities or creates an actual conflict of interest.
- Employment that impairs or has a detrimental effect on the employee's work performance with the Company.
- Employment that requires employees to conduct work or related activities during working times or using any of the Company's tools, materials, or equipment.
- Employment that directly or indirectly competes with the business or the interests of the Company.

For the purposes of this policy, self-employment is considered outside employment.

Discussion of Wages

No employee is prohibited from inquiring about, disclosing, comparing, or otherwise discussing his or her wages or the wages of another employee or from asking the Company to provide a reason for the employee's wages and/or lack of opportunity for advancement. The Company also will not retaliate against any employee because the employee aids or encourages another employee to exercise their rights to discuss or disclose wage information.

Employees are not required to disclose their wages.

This policy does not apply to disclosure of other employees' wage information by employees who have access to such information solely as part of their essential job functions and who, while acting on behalf of the Company, make unauthorized disclosure of that information. Company representatives may disclose employees' wages in response to a complaint or charge, in furtherance of an investigation or when otherwise consistent with the Company's legal duty to provide information.

Access to Personnel Files & Time/Pay Records

Upon request, employees will be allowed to inspect their personnel files or time/pay records at least one time per year, or as otherwise required by law. Employees who wish to review their personnel files should contact Human Resources. Employees will be allowed access to their file locally, within a reasonable period of time, and as required by law.

For purposes of this policy, a personnel file does not include records relating to an investigation of a possible criminal offense or certain records compiled in preparation for an upcoming or ongoing lawsuit.

PAY PRACTICES

Performance Reviews

All employees go through a performance review process upon hire, after 30-days and 90-days of employment with Thoroughbred Express. Your knowledge of car wash products, services, equipment, policies, procedures, wash packages, membership options, as well as your customer service and sales presentation will be evaluated. Merit increases may be given during these two evaluations depending on your progress and performance.

Thereafter, performance reviews are generally scheduled once a year or upon a change in assignments, however, supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis.

A positive performance review does not guarantee a salary increase or a promotion. These decisions are made at the discretion of the Company and depend on a number of factors in addition to an employee's individual performance.

Payment of Wages

Our pay period runs from Sunday thru Saturday, and you will be paid weekly for the previous week's hours worked each Wednesday. You will be provided with a physical paystub or with instructions on how to access your paystub electronically. If the regular payday falls on a Company-recognized holiday, then employees will be paid on the work day before the regular payday.

Paycheck Deductions

The Company is required by federal and some state laws to make certain deductions from your paycheck each pay period. Such deductions typically include taxes and Social Security. Depending on the state in which you are employed and the benefits you choose, additional deductions may occur. The amount of all deductions will be listed on the employee's pay stub.

Reporting Errors and Obtaining More Information

If any employee, exempt or nonexempt, has questions about deductions from their pay, believes they have been subjected to improper deductions, or believes that the amount paid does not accurately reflect the employee's total hours worked or salary, that employee should promptly contact their supervisor or any other member of management.

Every report will be fully investigated, and the Company will provide the employee with any compensation to which the employee is entitled in a timely fashion.

The Company complies with all applicable laws, including the Fair Labor Standards Act, and will not allow any form of retaliation against individuals who make good faith reports of alleged violations of this policy, or who cooperate in an investigation by the Company, even if the reports do not reveal any errors or wrongdoing.

Commissions

All employees except the Site Manager are eligible to earn commissions on sales of Winner's Circle memberships. Specifically, employees will earn a 10% commission on the non-discounted sale price of all Winner's Circle memberships the employee sells via credit card each month. All earned commissions will be paid weekly, as part of the employee's regular paycheck, for earned commissions from the prior week.

Winner's Circle membership reactivations do not count towards commission earnings. Circumventing the reactivation criteria to earn a commission is a violation of the commission policy and will result in disciplinary action as well as the loss of commission for that sale.

In the event of an employee's termination or resignation from employment for any reason, such employee shall only be entitled to those commissions earned prior to the termination date. Should an employee transfer to a position that is not eligible for a commission, such employee will only be entitled to payment on commissions earned prior to such transfer.

Here is an example of how commissions can be earned:

Jill sold 35 memberships in the first week of January with the following breakdown of Winner's Circle sales:

Secretariat: 20 with a price of \$45.00 each
Triple Crown: 10 with a price of \$35.00 each
Express Wash: 5 with a price of \$25.00 each

Commission earned for the week:

20 x \$45=\$900
10 x \$35 = \$350
5 x \$25 = \$125

Total paid for memberships: \$1375

Commission earned: 10% of \$1375 = \$137.50

Hours of Operation and Work Schedules

Thoroughbred Express Auto Wash utilizes a Summer and Winter schedule to adjust operating hours due to reduced sunlight and lower temperatures. We reserve the right to change these schedules at any time and these schedules may be impacted by inclement weather which will be communicated to you by your manager as it occurs.

SUMMER SCHEDULE

March 15th thru October 15th
Monday thru Saturday: 0800hrs to 1900hrs
Sunday: 0800hrs to 1800hrs

WINTER SCHEDULE

October 16th thru March 14th
Monday thru Saturday: 0800hrs to 1800hrs
Sunday: 0800hrs to 1700hrs

We strive to provide employees with a positive work-life balance. To do this, we publish the schedule each Monday for the following week. For example, on Monday the 1st, the manager will publish the schedule for the week of Monday the 8th. This effectively provides employees with two weeks of their work schedule at a time.

All employees are expected to be at their designated work area at the start of their scheduled shift, ready to perform their work. Managers will schedule meal and rest

periods as appropriate. The Company complies with federal and state laws in this regard.

Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in total hours that may be scheduled each day and week. Also, given the nature of the business and the impact that weather can have on the operations, work hours are not guaranteed as the schedules may need to be adjusted depending on weather conditions. Please see the “Weather Impacting Schedules” section for additional information.

Meal and Rest Breaks (for Washington Employees)

Meal Breaks

Nonexempt employees working more than five hours in a shift will be provided a meal break of at least 30 minutes. The meal break must be taken between the second and the fifth hour of work. An additional meal break will be provided for each additional five hours of work and will be given within five hours from the end of the first meal break. Nonexempt employees who work three or more hours longer than the normally scheduled shift will be provided at least one 30-minute meal break before or during that extra work time.

Uninterrupted meal breaks of at least 30 minutes, during which the employee is completely relieved from duty, are unpaid. Because meal breaks are unpaid, employees must record their start and stop times. An employee who is required to work through some or all of a 30-minute meal break or whose 30-minute meal break is interrupted should fill out the Time Card Adjustment Form and submit it for review by their management team. If an employee does not report a missed or interrupted meal break, the Company will assume the employee voluntarily waived the meal break.

Rest Breaks

Nonexempt employees must take a 10-minute paid rest break for every four hours worked and must not work more than three consecutive hours without a paid 10-minute rest break. A rest break taken in a 10-minute block must be scheduled as near as possible to the midpoint of the work period. An employee’s paid rest breaks do not have to be scheduled in 10-minute blocks if the nature of the work allows the employee to take shorter, intermittent rest breaks totaling 10 minutes for every four hours worked. An employee may not waive a paid rest break.

Any employee who does not receive a rest break in accordance with this policy should fill out the Time Card Adjustment Form and submit it for review by their management team. If an employee does not report a missed rest break, the Company will assume the employee took his or her rest breaks as required by this policy.

Responsibilities

Employees are expected to take their meal and rest breaks and management is expected to ensure that employees take meal and rest breaks in accordance with this

policy. Managers may not pressure or coerce employees to work through their meal or rest breaks. Any employee who feels they have been pressured or coerced into working through a meal or rest break should immediately report the situation to Human Resources.

Any employee or manager who fails to observe the applicable guidelines in this policy will be subject to discipline, up to and including termination of employment. Violations of this policy should be reported to Human Resources. Every report will be fully investigated, and corrective action will be taken when appropriate. The Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports.

Timekeeping & Schedules

Nonexempt Employees

Each employee will be provided with their own login credentials for using the Company's timekeeping system that is for their use only and should not be shared with any other employee. Employees who are classified as nonexempt must accurately record the time they start and stop work each workday as well as the time they start and stop each meal period. Nonexempt employees must report all time worked and not work any time that is not authorized by their supervisors. This means nonexempt employees must not start work early, finish work late, work during a meal or rest break, or perform any other extra or overtime work unless directed to do so. Employees who have questions about when or how many hours they are expected to work should contact their manager.

Should an employee forget to clock in, clock out, or have an issue with their timecard, they must complete the "Timecard Adjustment Form" in Jolt for their manager to review and approve.

When employees receive their paychecks, they should verify immediately that their working time was recorded accurately and that they were paid correctly for all hours worked.

It is a violation of the Company's policy for anyone to instruct or encourage another employee to work "off the clock," to incorrectly report hours worked, or to alter another employee's time records. If any employee is directed or encouraged to incorrectly report hours worked, or to alter another employee's time records, they should report the incident immediately to a manager or Human Resources.

Exempt Employees

Employees who are classified as exempt must record absences from work for reasons such as leaves of absence or PTO.

Exempt employees are paid on a salary basis. This means the employee regularly receives a predetermined amount of compensation each pay period, which cannot be reduced because of variations in the quality or quantity of the employee's work. In

general, an exempt employee will receive their salary for any week in which the employee performs any work, regardless of the number of days or hours worked. However, an exempt employee will not be paid for days not worked in the following circumstances:

- When an exempt employee takes one or more full days off for personal reasons other than sickness or disability, the employee will not be paid for such day(s) of absence, but the employee may use available paid time off (PTO) to make up for the reduction in salary.
- When an exempt employee takes one or more full days off from work due to sickness or disability, the employee will not be paid for such day(s) of absence, but the employee may use available sick time to make up for the reduction in salary.
- When an exempt employee works only part of the week during their first and last week with the Company, the employee will be paid only for the days actually worked.
- When an exempt employee takes unpaid leave under the Family and Medical Leave Act or corresponding laws, the Company will not pay for such days/hours of absence.
- When an exempt employee receives an unpaid disciplinary suspension of one or more full days, imposed in good faith for workplace conduct rule infraction, the Company will not pay for such days of suspension.

An exempt employee's salary will not be reduced when the employee works part of a week and misses part of a week due to service as a juror, witness or in the military or for lack of work, though deductions may be made to offset amounts an employee receives as jury or witness fees, or for military pay.

It is Company policy to comply with the salary basis requirements of the Fair Labor Standards Act (FLSA) and applicable state law. The Company prohibits any deductions from pay that violate the FLSA or applicable state law.

If an exempt employee believes that an improper deduction has been made to their salary, the employee should immediately report this information to their manager. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

Overtime

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime. Nonexempt employees will be paid one and one-half (1.5) times their regular rate of pay for all hours worked in excess of 40 in one workweek and as otherwise required by applicable state and federal law.

Paid time off will not count toward hours worked for the purpose of determining overtime pay.

All overtime work must be authorized in advance by the employee's manager. Working overtime without prior authorization may result in disciplinary action.

Exempt employees are expected to work as much of each workday as is necessary to complete their job responsibilities. No overtime or additional compensation is provided to exempt employees.

For overtime pay calculation purposes, the work day begins at 4 a.m. and ends at 3:59 a.m. The workweek begins on Sunday at 4 a.m. and ends the following Sunday at 3:59 a.m.

Weather Impacting Schedules

During periods of inclement weather that result in decreased volume, you may be contacted by the manager on duty prior to the start of your shift to confirm when/if you need to arrive at your originally scheduled time. Often, rain days will be used to clean the tunnel equipment/facility or provide further training opportunities.

If the weather is not suitable for operational or safety reasons, the decision to not open, open late, or close early is up to the site manager after consulting with upper management. If the decision is made to close early, we will not reopen that day even if the weather clears.

Should anyone, other than the site manager, make the decision on their own to close the location without approval from the site manager or upper management, it will result in disciplinary action up to and including termination of employment. This includes, but is not limited to, closing the store early at the end of a regular workday or opening the store later than our published operating hours.

Whether we open late or close early, all opening/closing procedures must be properly completed.

TIME OFF AND LEAVES OF ABSENCE

Holidays

Thoroughbred Express recognizes the significance of holidays and acknowledges their importance to our team and our customers. Thoroughbred Express will continue with normal operating hours except for the following holidays:

- New Year's Day – CLOSED
- Easter Sunday – CLOSED
- Memorial Day - CLOSED
- Independence Day – CLOSED
- Labor Day - CLOSED
- Thanksgiving Day – CLOSED

- Christmas Eve – NORMAL OPENING; EARLY CLOSING (closing at 2 p.m. local time)
- Christmas Day – CLOSED
- New Year's Eve – NORMAL OPENING; EARLY CLOSING (closing at 2 p.m. local time)

Full Time Employees are paid on the days the Company is closed for holidays; however, employees may elect to use PTO to offset any reduced hours during holiday weeks.

Paid Time Off

In order to help employees foster a work-life balance, the Company offers paid time off (PTO) to eligible Full-Time employees. PTO may be used for any purpose, including, but not limited to, vacation, personal matters, sickness, illness, and recovery from injury or illness.

For purposes of this policy, the benefit year is defined as January 1st to December 31st.

This Policy is intended to meet or exceed the requirements of all relevant federal, state, county and local laws and regulations relating to paid sick and safe time as well as mandatory time off laws. If any provision of this Policy conflicts with applicable laws and regulations, the applicable laws and regulations will govern.

Eligibility: Regular full-time employees are eligible to accrue and use PTO as described in this Policy.

Employee Accrual: Employees accrue PTO each pay period. The following table outlines the PTO accrual rate for all employees in hourly, non-management positions and length of service with Thoroughbred Express who accrue PTO based on non-overtime hours worked:

<u>FLSA</u>	<u>Tenure</u>	<u>Accrual</u>	<u>Maximum Earned</u>	<u>Maximum Roll-over</u>
Full Time, Hourly	1 st year	0.02 hours/hour worked	40 hours PTO	40 hours PTO
Full Time, Hourly	2 nd year	0.04 hours/hour worked	80 hours PTO	80 hours PTO
Full Time, Hourly	3 rd year	0.06 hours/hour worked	120 hours PTO	120 hours PTO
Full Time, Hourly	4 + years	0.08 hours/hour worked	160 hours PTO	160 hours PTO
Full Time, Salary	1 st – 2 nd years	1.54 hours per pay period	80 hours PTO	80 hours PTO
Full Time, Salary	3 rd year	2.3 hours per pay period	120 hours PTO	120 hours PTO
Full Time, Salary	4 + years	3.07 hours per pay period	160 hours PTO	160 hours PTO

For employees in store management positions as well as all regional support and maintenance positions, they will accrue their full pro rata amount of PTO for any pay period in which they work or are paid by the Company. Employees are not considered to be “paid by the Company” when they are receiving Short-Term or Long-Term Disability benefits, state or local paid family and medical leave benefits, or workers’ compensation insurance. Changes to the PTO accrual amounts as indicated on the schedule above become effective in the pay period following an employee’s employment anniversary date with the Company.

Carryover: Employees will only be able to carryover 40 hours of PTO from year to year; all hours over 40 will be forfeited at the end of each benefit year.

Use Of PTO: You may use accrued PTO for paid vacation leave, Paid Sick Tim (“PST” as defined below), or any other type of paid time off. PST may be used for yourself and for family members as defined below.

- An employee’s health condition including a mental or physical illness, injury, or health condition; to allow the employee to obtain medical diagnosis, care, or treatment (including home care) for the same; or for an employee’s need for preventive medical care or routine medical appointments, including pregnancy, childbirth, pre-natal visits, postpartum care, and dental visits;
- To allow an employee to care for their family member with a health condition including a mental or physical illness, injury, or health condition; to allow an employee’s family member to obtain medical diagnosis, care, or treatment (including home care) for the same; or for an employee’s family member who needs preventive medical care or routine medical appointments, including as described in the bullet above;
- If an employee’s place of business has been closed by order of a public official due to a public health emergency (including exposure to an infectious agent, biological toxin, or hazardous material); to allow you to care for a child whose school or childcare provider has been closed for any of those same reasons;
- When health authorities or a health care provider determines employee’s or their family member’s presence in the community would jeopardize others’ health because of the individual’s exposure to a communicable disease, whether or not the individual actually contracted the communicable disease;
- If an employee is a victim or has a family member or dependent who is a victim of domestic violence, harassment, sexual assault, sexual abuse, or stalking, and the employee or the employee’s family member or dependent need time off to seek legal or law enforcement assistance, or to attend to the following: treatment by a health care provider, social services, victim services provider, counseling, safety planning, relocation, or other actions to increase safety for the employee or their family member or dependent; and
- Other reasons required by a jurisdiction with a mandated paid sick leave law if an employee is scheduled to work in that jurisdiction.

Family Member. For purposes of this Policy, Family Member means the employee's spouse, domestic partner or equivalent designation, child, parent, sibling, grandparent, grandchild, or any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship, and for any other "family member" identified by applicable law.

PTO Request Procedures: You must have been employed for 60 days before being able to use your accrued PTO.

Unless PTO is being used in conjunction with FMLA leave (if applicable), another protected leave, emergencies, or for PST reasons, and in order to balance business and personal needs, all requested PTO days must be authorized by the store manager. To do this, complete a PTO request form on our back-office web page and submit it. We request that all PTO requests that are not being used for such purposes, be submitted at least seven calendar days, and ideally fourteen calendar days, in advance of the time off. The more advance notice that is provided, the greater the likelihood that the request can be granted. Requests will be reviewed and approved at the Company's discretion based on a number of factors, including business needs and staffing requirements. The Company reserves the right to require an employee to use accrued PTO, including during periods of furlough or other shutdown, at its discretion, and to the extent allowed by applicable law.

If you are using PTO for PST purposes and the need for PTO use is foreseeable, you must provide reasonable advance notice – either orally or in writing – to your supervisor of the need to be absent for a PST covered reason. If the need to use PTO for a PST covered reason under this Policy is unforeseeable, you must provide notice – either orally or in writing – to your supervisor of the need to be absent for a PST covered reason as soon as practicable/possible.

In all circumstances, you are responsible for specifying that the time off is for a PST covered reason, so that the absence may be designated as a PST absence. Failure to provide notice in accordance with the requirements of this Policy may result in discipline.

PTO being taken for PST reasons may be used, depending on the jurisdiction in which you work, in an initial increment of one hour or in the smallest increment used by the payroll system, whichever is smaller, to cover all or just part of a workday. If PTO is not being used for a PST covered reason, you may take it in increments of 1 hour to cover all or just part of a workday.

The Company will keep confidential the fact that your absence is for a PST covered reasons and any information provided to the Company in connection with your request for time off, except upon your request or otherwise with your consent.

If you use all of your PTO for personal reasons, you will not be provided additional PTO that can be used for a PST covered reason should you later need it within the current calendar year. Because PTO is intended to provide you with sufficient PST, the Company reserves the right to require use of PTO when you are absent for one of the reasons specified above, to the extent allowed by law.

The Company will not count a PST absence when evaluating absenteeism. Therefore, any use of PTO for a PST covered reason shall not count as an “occurrence” under any Company policy.

If a Company-observed paid holiday should fall during a time when you are using PTO, that day will be paid outside of your PTO and not be considered a PTO day for purposes of deducting time from your PTO bank.

Verification/Certification of Absences: If an employee uses PTO for a PST covered reason for 4 or more consecutive days, or under other circumstances permitted by applicable law, the Company may require a doctor’s note or other verification of the employee’s need for the absence, to the extent permitted by applicable law. Depending on the circumstances, verification may include a doctor’s note (for the employee’s own or family member’s health condition); closure order for a school, business, childcare provider, or place of care; police report, court document, or court order of protection (indicating domestic violence, stalking, etc.); and/or other verification as permitted by applicable law.

Discipline – up to and including termination – may be taken against an employee who uses PTO for a PST reason for a purpose not covered by, or in a manner not consistent with, applicable paid sick and safe time law. In addition, discipline – up to and including termination – may be taken against an employee that violates this Policy’s requirements concerning requesting, using, recording, verifying, and/or documenting use of PTO for a PST covered reason.

PTO Pay: PTO is not considered “hours worked” and is not counted for the purpose of your overtime hours of work or overtime premiums.

The rate of pay for PTO taken for a PST covered reason will be calculated in accordance with applicable law. PTO that is not used for a PST covered reason will be paid at your base hourly rate or base salary.

Employees will not be paid wages in lieu of unused PTO.

Integration With Other Benefits: It is your responsibility to apply for any applicable benefits for which you may be eligible as a result of the illness or disability. Your PTO benefits will be fully integrated with other benefits available to you, as permitted by applicable law.

Separation of Employment: If your employment with the Company ends, you will not be paid out for any unused PTO.

Retaliation: The Company prohibits discrimination and/or retaliation against employees who request or use paid sick and safe time for authorized circumstances or for making a complaint or informing a person about suspected violations of this policy. Likewise, the Company prohibits discrimination and/or retaliation for cooperating with city, county, or state officials in investigating claimed violations of any paid sick leave law, cooperating or participating in any investigation, administrative hearing or judicial action regarding an alleged violation, opposing any policy or practice that is prohibited

by any paid sick leave law, or informing any person of his or her potential rights under the law.

Other Jurisdiction Specific Information - Washington

The Company's PTO policy applies to you if you work in Washington, except as modified below:

For those employees working in the state of Washington, the Company will notify employees at least monthly of the amount of PST accrued since the last notification, the amount reduced since the last notification, and the amount of leave available for use.

In addition, for absences related to the employee's or family member's status as a victim of domestic violence, sexual assault or stalking, "family member" also includes an individual with whom the employee has a dating relationship.

If the Company requests verification/certification of an absence, employees must submit any required documentation within ten calendar days following the first day of PST. For employees using PST for a reason related to the employee's or family member's status as a victim of domestic violence, sexual assault or stalking, employees must provide the requested verification in a timely manner after the Company requests it. If an employee anticipates that providing required verification will create an unreasonable burden or expense, the employee can provide a written or verbal explanation to the Company, which asserts that the use of PST was for an authorized purpose and explains how compliance with the verification request creates an unreasonable burden or expense on the employee. Within ten calendar days of the employee providing an explanation to the Company, the Company will make a reasonable effort to identify and provide alternatives for the employee to meet the verification requirement in a manner which does not result in unreasonable burden or expense on the employee.

Paid Family and Medical Leave (for Washington Employees)

In accordance with the Washington Paid Family and Medical Leave Act ("WA PFMLA"), eligible employees may be entitled to a leave of absence with partial wage replacement benefits from the State of Washington Employment Security Department ("Department") for absences due to their own serious health condition, or to care for a family member with a serious health condition, bond with a new child, or assist with obligations that arise when a family member is called into active military service.

Employee Eligibility

Employees are eligible for WA PFMLA leave and partial wage replacement benefits if they meet the eligibility requirements as determined by the Department. Generally, this means that employees must have worked 820 hours in "employment" (as defined by the WA PFMLA), for any employer in Washington State, during the qualifying period (*i.e.*, first four of the last five completed calendar quarters or, if eligibility is not established,

the last four completed calendar quarters immediately preceding the application for leave).

Reasons for and Length of Leave

During a benefit year, eligible employees may be entitled to:

- Up to a maximum of 12 weeks of paid family leave to: (1) participate in providing care for a “family member” of the employee made necessary by the family member’s serious health condition; (2) bond with the employee’s child during the first 12 months following the child’s birth, or the first 12 months after the placement of a child under the age of 18 with the employee for adoption or foster care; or (3) attend to a “qualifying exigency,” as defined under the federal Family and Medical Leave Act (“FMLA”), arising from the “covered active duty” (as defined below) of an employee’s family member as a member of the military reserves, National Guard, or Armed Forces. Paid family leave can also be used during the seven calendar days following the death of the family member for whom the employee would have qualified for medical leave on the basis of the birth of the employee’s child or would have qualified for family leave for the purpose of bonding with a child following the child’s birth or placement.
- Up to a maximum of 12 weeks of paid medical leave to attend to their own serious health condition. Medical leave may be extended up to an additional two weeks (up to 14 weeks of medical leave) if the employee experiences a pregnancy-related serious health condition that results in incapacity.

An eligible employee may receive up to a combined total of 16 weeks of medical and family leave, or up to a combined total of 18 weeks if the employee experiences a pregnancy-related condition that results in incapacity. For employees who are eligible for leave based upon incapacity due to pregnancy or for prenatal care, leave taken during the first six weeks after birth (the “postnatal period”) will be presumed to be paid medical leave, unless the employee’s medical leave entitlement is fully or partially exhausted prior to the birth of the child or the employee chooses to use paid family leave, if available, during that postnatal period.

An employee is not entitled to WA PFMLA benefits for (a) absences caused by the employee’s willful intent to bring about injury to or sickness of the employee or another; (b) absences resulting from an injury or sickness sustained in the employee’s perpetration of an illegal act; (c) any family or medical leave beginning before the employee is eligible for such benefits; (d) a period during which the employee is on suspension from employment; or (d) any period of time during which the employee works for remuneration or profit.

Definitions

- **“Benefit year”** means a period of 52 consecutive calendar weeks beginning on Sunday of the week of the employee’s timely and complete application to the Department. Employees will only have one “Benefit Year” at a time.

- **“Child”** means a biological, adopted, or foster child, a stepchild, a child’s spouse, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age (except for bonding leave) or dependency status.
- **“Covered Active Duty”** means (1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty (or notification of an impending call or order to active duty) in support of a contingency operation as defined by applicable law.
- **“Family Member”** means the employee’s spouse or state registered domestic partner, child, parent, grandparent, grandchild, or sibling. “Family member” also includes any individual who depends on the employee for care and either: (1) regularly resides in the employee’s home; or (2) is in a relationship that creates an expectation that the employee will care for the person. “Family member” does not include an individual who simply resides in the same home as the employee with no expectation that the employee care for them.
- **“Grandchild”** means a child of the employee’s child.
- **“Grandparent”** means a parent of the employee’s parent.
- **“Parent”** means the biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee’s spouse or state registered domestic partner, or an individual who stood in loco parentis to an employee when the employee was a child.

Wage Replacement Benefits

Eligible employees may receive WA PFMLA wage replacement benefits from the Department. Wage replacement benefits are determined and administered by the Department, not the Company. The amount of wage replacement benefits is calculated based upon an employee’s average weekly wage in relation to the state average weekly wage and is capped at a maximum weekly benefit amount that is adjusted annually. When taking WA PFMLA for reasons other than family leave for a qualifying exigency, medical leave taken upon the birth of a child or family leave taken for bonding after the birth or placement of the employee’s child, payment of wage replacement benefits is subject to a waiting period of seven consecutive calendar days. The waiting period begins on the Sunday of the first week an eligible employee starts taking paid family or medical leave. A waiting period does not reduce the maximum duration of an employee’s available paid family or medical leave. Employees may use available PTO during the waiting period.

The minimum claim duration is eight consecutive hours of leave meaning the employee claims at least eight consecutive hours at some point during the week beginning on Sunday at 12:00 a.m. and ending at 11:59 p.m. the following Saturday.

In any week in which an employee is eligible to receive benefits under federal or state unemployment compensation, industrial insurance, or disability insurance laws, the employee may be disqualified from receiving WA PFMLA wage replacement benefits.

Intermittent and Reduced Schedule Leave

Employees may take WA PFMLA leave intermittently, which means taking leave in blocks of time, or on a reduced schedule basis, by reducing the employee's normal weekly or daily work schedule.

Payroll Deductions

WA PFMLA benefits are funded by employee contributions.

Requesting Leave

Employees must file an application for WA PFMLA benefits directly with the Department using the Department's forms.

Employees must also provide advance notice to the Company as follows:

- When the need for WA PFMLA leave is foreseeable based on an expected birth, placement of a child, or planned medical treatment for a serious health condition, the employee must provide written notice to the Company at least 30 days in advance.
- When 30 days' notice is not possible, such as because of a lack of knowledge of approximately when WA PFMLA leave will be required to begin, a change in circumstances, or a medical emergency, the employee must provide written notice to the Company as soon as practicable.
- When the need for WA PFMLA leave due to a qualifying military exigency is foreseeable, the employee must provide written notice to the Company as soon as is practicable, regardless of how far in advance such leave is foreseeable.
- When the need for leave is not foreseeable, the employee must provide written notice to the Company as soon as is practicable under the facts and circumstances of the particular situation. If the employee is unable to provide notice personally, written notice may be given by another responsible party, such as the employee's spouse or domestic partner, neighbor, or coworker.

"As soon as is practicable" means as soon as it is both possible and practical to provide notice, taking into account all of the facts and circumstances in the individual situation.

Written notice should be provided to Human Resources and specify the anticipated timing and duration of the leave. Written notice includes, but is not limited to, handwritten or typed notices, and all forms of written electronic communications such as text messages and email. Failure to provide timely notice may result in the Department denying WA PFMLA benefits.

Employees must advise the Company as soon as practicable if the dates of a scheduled WA PFMLA leave change or are extended, or if the dates of leave were initially unknown.

Employees applying for WA PFMLA benefits must provide the Department supporting documentation or certification as required by the Department.

Employees must make a reasonable effort to schedule treatment in a manner that does not unduly disrupt the Company's operations, subject to the approval of the employee's or family member's health care provider.

Whenever an employee who is qualified for WA PFMLA benefits is absent from work for family leave or medical leave for a period of more than seven consecutive days, the Company will provide the employee with a written statement of the employee's rights. The notice will be provided to the employee within five business days after the employee's seventh consecutive day of absence due to family or medical leave, or within five business days after the Company has received notice that the employee's absence is for such reasons, whichever is later.

Effect on Other Rights and Paid Leave

WA PFMLA is in addition to any leave for sickness or temporary disability because of pregnancy or childbirth. When an employee takes leave for pregnancy disability under both the WA PFMLA and Pregnancy Disability Leave, the two leaves will run concurrently, but an employee's WA PFMLA entitlement or eligibility does not limit the amount of Pregnancy Disability Leave to which the employee may be entitled.

The Company will not require employees to take paid time off provided by the Company before, in place of, or concurrently with WA PFMLA. An employee may choose whether to take Company-provided paid time off provided under Company policy. However, the following Company-provided paid time off will be a supplemental benefit to WA PFMLA. An employee may not use more supplemental benefits than will be required to provide the employee with a total of 100% of their pay for the absence (except that an employee may use any available paid sick leave as provided for by applicable law).

Return from Leave

Employees who return to work as scheduled at the end of WA PFMLA will be reinstated to the same position they held at the time the leave commenced, or to an equivalent position with comparable benefits, pay, and other terms and conditions of employment, under the following circumstances:

- The Company has 50 or more employees in "employment" (as defined by the WA PFMLA).
- The employee is in "employment" in Washington State (as defined by the WA PFMLA).
- The employee has been employed by the Company for twelve months or more.

- The employee has worked for the Company for at least 1,250 hours during the twelve months immediately preceding the date on which leave will commence.

For employees who do not meet the requirements for job reinstatement under the WA PFMLA, reinstatement is not guaranteed. Other laws that provide for reinstatement may apply, and the Company will comply with all applicable reinstatement requirements

The Company may deny restoration to any salaried employee who is among the highest paid ten percent of the employees employed by the Company within 75 miles of the facility at which the employee is employed if:

- Denial is necessary to prevent substantial and grievous economic injury to the operations of the Company;
- The Company notifies the employee of its intent to deny restoration on such basis at the time the Company determines that the injury would occur; and
- The leave has commenced and the employee elects not to return to employment after receiving the notice.

Protected Rights

The Company takes its WA PFMLA obligations very seriously and will not interfere with, restrain or deny the exercise of any right protected under the WA PFMLA. The Company will not discriminate or retaliate against any employee because that person uses or attempts to use WA PFMLA benefits. Employees who believe their WA PFMLA rights have been violated in any way should immediately report the matter to Human Resources and may also contact Human Resources with questions regarding WA PFMLA benefits.

Family Military Leave

Employees who work 20 or more hours per week and have a spouse (including same-sex spouses and state-registered domestic partners) who is a member of the state military or the armed forces of the United States, National Guard or reserves may take family military leave if, during a period of military conflict, the employee's spouse is notified of an impending call or order to active duty or is deployed.

Eligible employees will be allowed up to 15 days of leave per deployment, to be taken after the employee's spouse has been notified of an impending call or order to active duty and before deployment or when the spouse is on leave from deployment. Employees may not use leave after the deployment has ended. Employees are not required to use leave on a day when they are not scheduled to work. In addition, employees may split their 15 day leave between different periods of time (pre-deployment or while the servicemember is on leave during deployment). The total number of days of leave however, cannot exceed 15 days per deployment.

Employees must give the Company advance notice of the intent to take leave within five business days of receiving official notice of the impending call or order to active duty, or

of the spouse's leave from deployment. Employees may use any available accrued paid leave or take the leave as unpaid time off. Employees will be allowed to continue available group health benefits at their own expense.

Upon return from leave, employees will be restored to their prior position.

Employees should contact Human Resources if they have any questions about this policy.

Military Leave

Uniformed Services

In addition to the military leave rights set forth in the National Handbook, regular full- and part-time (i.e., nontemporary) Washington employees who are members of the uniformed services, including the United States armed forces, reserves, National Guard, commissioned corps of the Public Health Service, Coast Guard and any other category designated by the President in time of war or emergency, may take a military leave of absence for any of the following types of service:

- Active duty;
- Active and inactive duty for training;
- Initial active duty for training;
- Full-time National Guard duty; and
- Examination to determine fitness to perform any of these duties.

Employees must notify their supervisor of membership in the uniformed services within a reasonable time upon accepting employment or becoming a member of the uniformed services.

Time off under this policy is without pay. Employees will be considered as having been on furlough or a leave of absence during the leave and will be entitled to participate in insurance or other benefits offered by the Company in accordance with the established rules and practices regarding employee leaves of absence in effect at the time the employee is ordered to service.

The Company will reemploy employees returning from military leave unless reemployment is impossible or unreasonable because of changed circumstances, reemployment presents an undue hardship for the Company or the position the individual held before leaving to serve was temporary. Unless one of these exceptions applies, the Company will reinstate employees, provided that the:

- Leave does not exceed four years, unless a period of additional service is imposed by law;

- Employee provides proper notice of the intent to return to employment with the Company; and
- Employee provides a receipt of an honorable discharge, report of separation, certificate of satisfactory service or other proof of having satisfactorily completed service.

Employees must notify the Company of their intent to return to employment following military service in accordance with the following timing requirements:

- For individuals whose period of service was fewer than 31 days, not later than the beginning of the first full regularly scheduled work period on the first calendar day following the completion of the period of service, safe transport to the individual's residence and an additional eight-hour period;
- For individuals whose period of service was more than 30 but fewer than 181 days, not later than 14 days after completion of the period of service;
- For individuals whose period of service was for more than 180 days, not later than 90 days after the completion of the period of service; and
- For individuals hospitalized for or convalescing from an illness or injury incurred in or aggravated during the period of military service, up to two years from the date of injury.

The Company may require documentation demonstrating that the employee has met advance notice requirements, has not exceeded the four-year leave limitation and has not been dishonorably discharged. However, the Company will not deny reemployment to an employee who fails to meet a documentation requirement if the failure occurs because such documentation does not exist or is not readily available at the time of the request. However, if documentation becomes available subsequent to reemployment that establishes that the requirements outlined above were not met, the Company may terminate employment and any benefits provided.

Unless the Company's circumstances have so changed as to make it impossible or unreasonable to do so, employees returning from service will be reinstated to their prior position or a position of like seniority, status and pay, as long as they are still qualified to perform the duties of that position. If an employee is unable to perform the duties of his or her prior position due to a disability sustained during military service, but is qualified to perform the duties of another position, the Company will reinstate the employee to the other position with like seniority, status and pay (or the closest approximation) consistent with the employee's circumstances.

An employee who is returning from military leave with the United States armed forces will not be terminated without cause for one year following the date of reemployment.

State Organized Militia

Employees who are members of the state organized militia will be allowed a leave of absence of up to 12 weeks per calendar year when called to state-ordered active duty.

When the Governor has declared a state of emergency necessitating a longer period of service, employees will be allowed up to 12 months of leave.

All employees who are members of the state organized militia and are called to active state service or inactive duty will be allowed to apply for job restoration, though reinstatement is only required for those whose military absence was under three months.

Pregnancy Disability Leave (for Washington Employees)

Employees will be given a leave of absence for periods of sickness or temporary disability due to pregnancy or childbirth. Leave will be allowed for the entire period of pregnancy or childbirth-related disability and will be provided under the same terms and conditions as leave for other temporary disabilities.

The Company may require that a licensed health care provider certify the actual period of disability.

Pregnancy leave is for the period of disability *only*, and not for childrearing after the disability ends. Leave provided under this policy will be in addition to leave available, if applicable, under the Washington Paid Family and Medical Leave Act.

Upon return, an employee who takes leave in accordance with this policy will be reinstated to the same or a similar position with equal pay, unless the Company is unable to reinstate the employee for reasons related to business necessity.

Family Care Leave

In accordance with Washington's Family Care Act (WFCA), employees may use their choice of earned sick leave or other earned paid time off (e.g., PTO) to care for a child of the employee with a health condition that requires treatment or supervision or to care for a spouse, state-registered domestic partner, parent, parent-in-law or grandparent of the employee who has a serious health condition or an emergency condition.

When using paid time off for these purposes, the employee must comply with those terms of the applicable leave policy that do not conflict with the WFCA.

For purposes of this policy, the following definitions apply:

- **“Child”**—a biological, adopted or foster child; a stepchild; a legal ward; or a child of a person standing in *loco parentis* who is: (1) under 18 years of age; or (2) 18 years of age or older and incapable of self-care because of a mental or physical disability;
- **“Parent”**—a biological parent of an employee or an individual who stood *in loco parentis* to an employee when the employee was a child;
- A **“health condition that requires treatment or supervision”** (for which an employee may use paid leave to care for his or her child)—any medical condition requiring treatment or medication that the child cannot self-administer, any medical or

mental health condition that would endanger the child's safety or recovery without the presence of a parent or guardian, and any condition warranting treatment or preventive health care that a parent must be present to authorize and when sick leave may otherwise be used for the employee's preventive health care.

A “**serious health condition**” (for which an employee may use paid leave to care for an adult family member)—an illness, injury, impairment or physical or mental condition that involves: (1) any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice or residential medical care facility, and any period of incapacity or subsequent treatment or recovery in connection with such inpatient care; or (2) continuing treatment by or under the supervision of a health care provider or a provider of health care services and that includes any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities).

An “**emergency condition**” (for which an employee may use paid leave to care for an adult family member)—a health condition that is a sudden, generally unexpected occurrence or set of circumstances related to one's health, which demands immediate action and is typically very short term in nature.

The Company may require certification or verification from a health care provider.

The Company will not terminate, demote, discipline or otherwise retaliate or discriminate against an employee for requesting or taking time off in accordance with this policy.

For further information or to request leave under this policy, contact the Human Resources.

Emergency Responder Leave

Employees who are volunteer firefighters or reserve officers will be allowed time off to respond to a fire alarm or an emergency. For purposes of this policy, a “volunteer firefighter” is a firefighter for purposes of the state's firefighters' and reserve officers' relief and retirement pensions law who voluntarily performs, regardless of reimbursement, any assigned or authorized duties on behalf of or at the direction of a firefighting or emergency response unit of a city, county, fire district, regional fire protection district, port district, or the state.

If an employee is at work when called to serve as a volunteer firefighter, they must notify the Company of their firefighter status and intent to serve as a volunteer in order to take leave. If the employee is not at work when called to serve, they will only be allowed leave if they have been ordered to remain at their position by the commanding authority at the fire scene.

Employees may be asked to provide verification that leave was taken for a purpose allowed under this policy.

Time off will be without pay except that exempt employees will receive pay when required by applicable law.

Domestic Violence, Sexual Assault or Stalking Leave (Washington employees)

Employees who are the victim of domestic violence, sexual assault or stalking, or whose family member is the victim of domestic violence, sexual assault or stalking, may take reasonable leave from work to:

- Seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's family members;
- Seek treatment by a health care provider for physical or mental injuries caused by domestic violence, sexual assault or stalking;
- Attend to health care treatment for a victim who is the employee's family member;
- Obtain, or assist a family member in obtaining, services from a domestic violence shelter, rape crisis center or other social services program for relief from domestic violence, sexual assault or stalking;
- Obtain, or assist a family member in obtaining, mental health counseling related to an incident of domestic violence, sexual assault or stalking in which the employee or the employee's family member was a victim of domestic violence, sexual assault or stalking; or
- Participate in safety planning, temporarily or permanently relocate or take other actions to increase the employee's safety or the safety of the employee's family members from future domestic violence, sexual assault or stalking.

For purposes of this policy, a "family member" includes a child (including a biological, adopted, foster, or stepchild, legal ward or child for whom the employee stands in loco parentis, or in the place of a parent), spouse (including state-registered domestic partners and same-sex spouses), parent, parent-in-law, grandparent or person with whom the employee has a dating relationship.

When possible, employees must give the Company advance notice of their intention to take leave for these purposes. When advance notice is not possible because of emergency or unforeseen circumstances due to domestic violence, sexual assault or stalking, an employee or someone on the employee's behalf must give notice no later than the end of the first day the employee takes leave.

The Company may require verification that the employee or family member is a victim of domestic violence, sexual assault or stalking and that the leave is being taken for one of the purposes described above. Verification may be provided by written statement confirming these facts or by other appropriate documentation, such as a police report or court order, and must be provided in a timely manner.

Employees will not be required to provide additional information beyond this required verification, or information that would compromise the safety of the employee or his or her family member. Except as otherwise required or permitted by law, the Company will

maintain the confidentiality of all information employees provide regarding this leave, including the fact that the employee or a family member is a victim or that the employee has requested leave for these purposes.

When taking leave under this policy, an employee may choose to use any available paid leave, including PTO. Otherwise, leave will be unpaid. Leave may be taken intermittently, on a reduced work schedule or in a single block of time, as the circumstances warrant. During the leave, the Company will maintain any health insurance coverage being provided in the same manner as if the employee had not taken leave.

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

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

The Company will not terminate, threaten to terminate, demote or otherwise discriminate or retaliate against an employee because the employee requests or takes leave in accordance with this policy, files or expresses an intent to file a complaint alleging a violation of Washington's law on leave for domestic violence victims or participates or assists in another employee's attempt to exercise rights under that law. Employees may also be entitled to a reasonable accommodation under the Company's Accommodation for Victims of Domestic Violence, Sexual Assault or Stalking policy and should consult that policy and/or Human Resources for additional information.

Jury Duty Leave

The Company encourages all employees to fulfill their civic responsibilities and to respond to jury service summonses or subpoenas, attend court for prospective jury service or serve as a juror. Under no circumstances will employees be terminated, threatened, coerced, harassed or denied promotional opportunities because they request or take leave in accordance with this policy.

Employees should provide their supervisor with notice of any jury summons or subpoena within a reasonable amount of time after receipt and before their appearance is required. Verification from the court clerk of having served may also be required.

Time spent engaged in attending court for prospective jury service or for serving as a juror is not compensable except that exempt employees will not incur any reduction in pay for a partial week's absence due to jury duty.

Time Off to Vote

The Company encourages all employees to fulfill their civic responsibilities and to vote in official public elections. Generally, working hours are such that an employee will have ample time to cast a vote before or after the work shift. If employees do not have

sufficient time to vote, however, that employee should discuss the matter with a supervisor. The Company will comply with all applicable state and municipal voting time laws.

Bereavement Leave

Thoroughbred Express recognizes that the loss of a family member is a difficult life event, requiring time to grieve and fulfill personal obligations. Employees may take up to three days of paid time off to attend the funeral and make any necessary arrangements due to the death of an immediate family member, except where allowed additional time off for bereavement under applicable state law. “Immediate family” consists of the employee’s spouse, domestic partner, child, sibling, parents, grandparents, grandchildren; or the child, sibling or parents of the employee’s spouse or domestic partner.

Employees may also take one paid day off to attend the funeral of a brother-in-law or sister-in-law, or an aunt or uncle. Employees are allowed up to 4 (four) hours of paid bereavement leave to attend the funeral of a fellow regular employee of the Company, provided such absence from duty will not interfere with the normal operations of the Company.

All regular Full-Time employees are eligible for the benefits under this policy. An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor as soon as possible. If employee leaves work early on the day he or she is notified of the death, that day will not count as bereavement leave but an employee may decide to use available PTO. In addition to bereavement leave, an employee may, with his or her manager’s approval, use any available PTO or additional approved unpaid time off as necessary for bereavement leave.

Employees will be required to provide documentation regarding their bereavement leave. (Ex: letter from the mortuary stating date of services and relationship to deceased, obituary stating relationship, certifications of birth stating relationship, etc.)

Other Leaves of Absence

Many states require employers to provide their employees with additional leaves of absence or protected time off.

WORKPLACE SAFETY AND SECURITY

Workplace Violence

The safety and security of employees is of vital importance to the Company. Therefore, the Company has adopted a zero-tolerance policy concerning workplace violence. Threats or acts of violence—including intimidation, bullying, physical or mental abuse and/or coercion—that involve or affect company employees or that occur on the Company’s premises, will not be tolerated.

The prohibition against threats and acts of violence applies to all persons involved in the operation of the Company, including, but not limited to, Company employees and other personnel, contract and temporary workers, consultants, contractors, customers, vendors, visitors and anyone else on the Company's premises.

Violations of this policy by an employee will result in disciplinary action, up to and including termination from employment.

It is our goal to have a workplace free from acts or threats of violence and to respond effectively in the event that such acts or threats of violence do occur.

Workplace violence is any intentional conduct that is sufficiently severe, abusive or intimidating to cause an individual to reasonably fear for their own personal safety or the safety of their family, friends and/or property such that employment conditions are altered or a hostile, abusive or intimidating work environment is created for one or several employees.

Examples of workplace violence include, but are not limited to:

- Threats or acts of violence occurring on Company premises, regardless of the relationship between the parties involved in the incident;
- Threats or acts of violence occurring off Company premises involving someone who is acting in the capacity of a representative of the Company;
- Threats or acts of violence occurring off Company premises involving an employee if the threats or acts affect the business interests of the Company;
- All threats or acts of violence occurring off Company premises, of which an employee is a victim, if we determine that the incident may lead to an incident of violence on Company premises; and
- Threats or acts of violence resulting in the conviction of an employee or agent of the Company, or an individual performing services for the Company on a contract or temporary basis, under any criminal code provision relating to violence or threats of violence when that act or the conviction adversely affect the legitimate business interests of the Company.

Examples of conduct that may be considered threats or acts of violence under this policy include, but are not limited to:

- Threatening physical contact directed toward another individual;
- Threatening an individual or the individual's family, friends, associates or property with harm;
- The intentional destruction or threat of destruction of Company, a customer's, or another employee's property;
- Menacing or threatening phone calls;

- Stalking;
- Veiled threats of physical harm or similar intimidation; and/or
- Communicating an endorsement of the inappropriate use of firearms or weapons.

Workplace violence does not refer to workplace arguments or debates that are zealous or impassioned, provided there is no resort to any form of coercion. Discussions about sporting activities, popular entertainment or current events are not considered workplace violence when there is no threat of violence being directed to the workplace or any individual connected with it. Rather, workplace violence refers to behavior that demonstrates an intention to engage in violence, condones violence in our workplace, or targets any individual with acts or threats of violence.

Employees should help maintain a violence-free workplace. To that end, employees are encouraged to immediately report any incident that violates this policy to their manager.

Weapons in the Workplace

The Company strictly prohibits employees or any other person providing services to the Company or located on the Company's premises, from possessing weapons of any kind at the workplace. The workplace includes any property owned or leased by the Company or occupied by groups of Company employees or persons providing services to the Company. Unless this prohibition is contrary to state or local law, the workplace specifically includes Company parking areas. This policy prohibits the possession of concealed weapons as well as weapons carried openly.

This prohibition specifically includes guns, rifles and firearms of any type, including those for which the holder has a legal permit. Other examples of prohibited weapons include, but are not limited to, knives, ammunition, bombs, bows and arrows, clubs, slingshots, blackjacks, metal knuckles and similar devices that by their design or intended use are capable of inflicting serious bodily injury or lethal force.

Workplace Bullying

The Company does not tolerate bullying behavior. Individuals who engage in workplace bullying may be disciplined, up to and including termination of employment.

Workplace bullying is the use of force, threats or coercion to abuse, intimidate, or humiliate another employee. Workplace bullying includes, but certainly is not limited to, the following:

- Verbal abuse, such as the use of patently offensive, demeaning and harmful derogatory remarks, insults and epithets;
- Verbal or physical conduct that is threatening, intimidating or obscene;

- Pushing, shoving, kicking, poking, tripping, assaulting, or threatening physical assault, or intentionally damaging a person's work area or property; or
- Sabotage, or deliberately subverting, obstructing or disrupting another person's work performance.

Cyberbullying refers to bullying, as defined above that occurs through the use of a computer, cell phone, smartphone, tablet, pager or other device that transmits electronic information, regardless of whether the device is owned by or located at the Company or connected to the Company network. Cyberbullying is also prohibited.

This policy in no way prohibits employees from engaging in activities that are protected under applicable state and federal laws, including but not limited to any activity that is protected under Section 7 of the National Labor Relations Act, which includes the right of employees to speak with others, engage in workplace debates and protest about their terms and conditions of employment.

Reporting and Response

Employees who are subject to, or witness, workplace bullying are encouraged to notify Human Resources immediately. The Company will promptly investigate the complaint. The Company will maintain confidentiality to the extent possible, consistent with its commitment to investigating the complaint promptly and thoroughly.

If the complaint is verified, the Company will take appropriate remedial and disciplinary action, which may include, but is not limited to, verbal or written warnings, suspension, termination of employment, counseling and other actions. The Company will also report to law enforcement, if appropriate. The complaining party will be advised of the results of the investigation.

Anti-Retaliation

The Company strictly prohibits retaliation against an employee for making a good-faith claim of bullying or for participating in good faith in an investigation of bullying.

Work-Related Injuries

An employee who sustains a work-related injury or illness should inform their manager immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately.

Employees who sustain work-related injuries may receive workers' compensation benefits. See the Company's Workers' Compensation Insurance policy for more information. Employees who need to take time off from work due to a workers' compensation illness or injury may also be eligible for a leave of absence under the Company's leaves of absence or reasonable accommodation policies. Employees should consult with their manager for additional information.

Smoke-Free Workplace

The Company prohibits smoking in the workplace and in any area that is within 25 feet of an enclosed work area or area where customers are present. Employees wishing to smoke must do so outside of Company facilities and at least 25 feet away from enclosed work areas during scheduled work breaks.

Employees who observe other individuals smoking in the workplace in violation of this policy have a right to object and should report the violation to their manager or Human Resources. Employees will not be disciplined or retaliated against for reporting smoking that violates Washington law or this policy.

Drug-Free Workplace

The Company strives to provide a safe environment for employees and others and to minimize the risk of accidents and injuries. Accordingly, each employee has a responsibility to co-workers and the public to deliver services in a safe and conscientious manner. Continuing research and practical experience have proven that even limited quantities of illegal drugs, abused prescription drugs or alcohol can impair reflexes and judgment. This impairment, even when not readily apparent, can have catastrophic consequences. Moreover, studies have shown that impairment by controlled substances may last long after the user believes the effects to have worn off. For these reasons, the Company has adopted a policy that all employees must report to work and remain completely free of illegal drugs, abused or nonprescribed prescription drugs and alcohol.

Drug Use/Distribution/Possession/Impairment

The Company strictly prohibits the use, sale, attempted sale, conveyance, distribution, manufacture, purchase, attempted purchase, possession, cultivation and/or transfer of illegal drugs or other unlawful intoxicants at any time, and in any amount or any manner, regardless of occasion. "Illegal drugs" means all drugs whose use or possession is regulated or prohibited by federal, state or local law. These include prescription medication that is used in a manner inconsistent with the prescription or for which the individual does not have a valid prescription. To the extent permitted by state and local law, this policy also prohibits the use of marijuana and marijuana products. The Company will accommodate individuals who are medically certified to use marijuana by their home state where required to do so by law, but in no case may an employee use or possess marijuana or marijuana products at work or during work time or work while impaired."

Employees are also prohibited from having any such illegal or unauthorized controlled substances in their system while at work.

Included within this prohibition are lawful controlled substances that have been illegally or improperly obtained.

Alcohol Use/Distribution/Possession/Impairment

All employees are prohibited from distributing, dispensing, possessing or using any beverage or medicine containing alcohol while at work or on duty and from coming onto company premises, reporting to work, or working with alcohol in their systems. Furthermore, lawful off-duty alcohol use, while generally not prohibited by this policy, must not interfere with an employee's job performance.

Prescription and Over-the-Counter Drugs

This policy does not prohibit the possession and proper use of lawfully prescribed or over-the-counter drugs. However, an employee taking medication should consult with a health care professional or review dosing directions for information about the medication's effect on the employee's ability to work safely, and promptly disclose any work restrictions to Human Resources. Employees are not required to reveal the name of the medication or the underlying medical condition.

The Company reserves the right to transfer, reassign, place on leave of absence or take other appropriate action regarding any employee during the time the employee uses medication that may affect the ability to perform safely. The Company will comply with all requirements pertaining to providing reasonable accommodations to the extent required by applicable law.

The Company's general prohibition against the possession or use of marijuana at work applies regardless of whether an employee is certified to use marijuana for medical reasons under state law. Unless otherwise required by law, the Company will not accommodate the use or possession of marijuana by individuals who are medically authorized to use marijuana as a matter of state law but will offer such individuals alternative accommodations related to any underlying disability. Employees who have any questions regarding the Company's position concerning medical marijuana in a particular location should contact Human Resources.

Counseling and Rehabilitation

Employees who voluntarily seek help for substance abuse (self-referral) by contacting the Company will be provided an opportunity to pursue counseling and rehabilitation. The Company will make available to these employees information about counseling and rehabilitation services. An employee who is receiving counseling and/or treatment for substance abuse may use available PTO or, if eligible, family and medical leave. Health insurance often covers the costs of such services, but costs not covered must be paid by the employee. The employee cannot return to work until released by a treatment provider to do so, and upon receiving a negative result on a return-to-work drug and/or alcohol test (as appropriate for that individual). In addition, the employee may be asked to submit to follow-up testing for a period following the return to work.

An employee's decision to seek help voluntarily will not be used as a basis for disciplinary action, although the individual may be transferred, given work restrictions or placed on leave, as appropriate. A request for help is considered voluntary only if it is

made before the employee is asked to submit to any drug or alcohol test or is discovered to have otherwise violated this policy.

Reasonable Suspicion Testing

When Company management has reasonable suspicion to believe that an employee has violated this Policy (e.g., when there is reasonable suspicion, an employee is working while under the influence of alcohol or illegal drugs due to recent drug or alcohol use), the employee may be asked to submit to a reasonable suspicion drug and/or alcohol test. A manager should contact Human Resources immediately to discuss and confer on the next steps. Reasonable suspicion means a basis for forming an individual belief based on specific facts and rational inferences drawn from those facts regarding recent drug or alcohol use by a particular employee. Reasonable suspicion determinations relating to employees who are potentially working under the influence of or impaired by drugs or alcohol will be based on specific, in-the-moment, explainable observations concerning the employee's behavior or performance or other credible information or report of a substance abuse issue, as reviewed and validated by Human Resource. Individuals identified for reasonable suspicion testing will be provided with transportation to or escorted to the collection site and then provided with transportation home pending the outcome of the test result and any related investigation. When referrals for reasonable suspicion testing are made, employees must cooperate with transportation arrangements made by the Company for transportation of the employee to the collection site, and from the collection site home. If an employee fails to cooperate with such arranged transportation, they will be subject to discipline up to and including termination.

Company's Right to Search

The Company wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives or other improper materials. To this end, the Company prohibits the control, possession, transfer, sale or use of such materials on its premises to the extent permitted by applicable law. We require the cooperation of all employees in administering this policy.

Desks, lockers and other storage devices are provided for the convenience of employees but remain the sole property of the Company. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of the Company at any time, either with or without prior notice.

In addition, to ensure the safety and security of employees and customers, and to protect our legitimate business interests, we reserve the right to question and inspect or search any employee or other individual entering or leaving company premises or job sites. The inspection or search may include any packages or items that the individual may be carrying, including briefcases, handbags, knapsacks, shopping bags, et cetera. If a non-exempt employee is present during any search or inspection, the employee must report the time spent during the search or inspection as working time.

These items are subject to inspection and search at any time, with or without prior notice. We also may require employees to agree to reasonable inspection of their

personal property and/or person while on the job or on the Company's premises. The individual may be requested to self-inspect their personal property or person by displaying the contents of any packages and/or turning out their pockets, etc., in the presence of a representative of the Company, typically a management employee of the same gender. The Company will not tolerate any employee's refusal to submit to a search.

Cameras and Video Surveillance

For purposes of workplace safety and security and to prevent theft and other misconduct the Company has installed video surveillance cameras in work areas.

If there is any reported incident of theft, trespass, workplace violence, employee misconduct or any type of safety violation (hereafter collectively referred to as "security incidents"), the Company will utilize its surveillance equipment as an investigatory tool. The Company will also make use of its surveillance equipment to deter any future security incidents. The Company may also disclose video surveillance to third parties to support its legitimate business interests.

The Company also reserves the right to actively monitor, through its surveillance cameras, any areas for safety reasons (to protect against equipment failure, breakage, or accident). Although the video surveillance described in this policy is intended to monitor for security incidents and other safety reasons and to protect the Company's confidential information, it is possible that such surveillance may capture other employee activities that may be conducted within the video field, including activities that are not related to the Company's business.

The Company respects the privacy of its employees. Accordingly, no video cameras will be installed in the Company's restrooms or in any lactation or changing areas.

The surveillance video cameras and any video footage from the surveillance are to be used solely for the purposes of this video surveillance policy. Any unauthorized use of these video cameras and/or videotapes is strictly forbidden and may result in discipline, up to and including termination of employment.

Use of Company Equipment and Resources

Company Equipment

When using Company property, employees are expected to exercise care, maintain the property in safe working order, and follow all operating instructions, safety standards and guidelines.

Employees should notify their manager if any equipment, machines, or tools appear to be damaged, defective or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. Employees who have questions about their responsibility for maintenance and care of equipment used on the job should consult their manager.

All employees are expected to comply with all local, state, and federal laws while operating Company equipment. The Company may discipline employees who engage in unlawful conduct.

Company Resources

The Company has significantly invested in telephone lines, fax machines, photocopiers and other types of business equipment, internet access and software that are vital to keeping our operations flowing smoothly and effectively. The Company's resources should be used for business transactions only and not for personal use, unless explicitly authorized by a supervisor.

Electronic Resources

This policy describes the Company's general guidelines for using its electronic resources, including electronic mail (email), voicemail, internet access and computer systems.

Employees should use the Company's electronic resources with the understanding that these resources are provided for the benefit of the Company's business. Employees may use Company electronic resources for personal use, during nonworking time, as long as such use complies with company rules and applicable laws. Employees should never use the Company's electronic resources for personal use in a manner that interferes with their work duties or any responsibilities to customers.

Sending, saving, accessing, or viewing obscene, uncivil or otherwise inappropriate material on the Company's electronic resources is prohibited. Messages stored and/or transmitted by the Company's electronic resources, including the computer, voicemail, email, or the telephone system, must not contain content that may reasonably be considered to be obscene or other patently offensive material. Prohibited material includes, but is not limited to, sexual comments, jokes or images, racial slurs, gender-specific comments, or any comments, jokes or images that would discriminate against or harass someone on the basis of their race, color, sex, age, national origin or ancestry, disability, or any other category protected by federal, state or local law. Likewise, any use of the internet, email, or any other electronic resource to engage in harassment or discrimination prohibited by Company policies is unlawful and strictly prohibited. Violators may be subject to discipline, up to and including termination of employment.

Unless otherwise noted, all software on the internet should be considered copyrighted work. Therefore, employees are prohibited from downloading software and/or modifying any such files without permission from the copyright holder.

No Solicitation

The Company's electronic resources must not be used for solicitation purposes during working time. The Company's no solicitation rule applies to the use of electronic resources.

Software Code of Ethics

Employees may not duplicate any licenses, software or related documentation for use either on the Company's premises or elsewhere unless the Company is expressly authorized to do so by agreement with the licensor. Unauthorized duplication of software may subject users and/or the Company to both civil and criminal penalties under the United States Copyright Act. Employees may not give software to any outsiders including contractors, customers or others. Employees may use software on local area networks or on multiple machines only in accordance with applicable license agreements. Employees may not download software from the internet and install it on their computers.

The Company reserves the right to audit any Company computer to determine what software is installed on the local drive(s).

Employee Responsibility

Each employee is responsible for the content of all text, audio or images that they place or send using the Company's electronic resources. The same standards should be utilized for the creation of email messages in connection with an employee's work as would be utilized for other company correspondence or memoranda.

Computer and Systems Security

All computers and the data stored on them are, and remain at all times, the property of the Company. As such, all messages created, sent or retrieved over the internet or the Company's electronic mail systems are the property of the Company, and should be considered company information. The Company reserves the right to retrieve and read any message composed, sent or received using the Company's electronic resources, including all computer equipment and the electronic mail system, for any business reason, including but not limited to, ensuring compliance with this and all company policies.

Employees should be aware that even when a message is deleted or erased, it is still possible to recreate the message; therefore, ultimate privacy of a message cannot be ensured to anyone. Accordingly, internet and email messages are not private. Furthermore, all communications including text and images can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Employees should also be aware that duplicates of email transmitted through a personal, web-based email account using company equipment could be stored on that equipment; likewise, information regarding internet sites that an employee has accessed may also be stored.

Email Content Screening

The Company maintains the right to screen all inbound and outbound email content. Email messages or attachments that contain obscene or similarly offensive material may be quarantined and held from transmission or receipt until the sender or recipient can verify the message or attached document is work related.

The Company may, in its discretion, review communications to and from a personal account, subject to state laws regarding attorney-client communications.

If an employee wants to communicate with an attorney or send an otherwise confidential piece of communication that they do not want the Company to monitor, the employee should consider using a personal email address and personal computer equipment. If an employee does use company equipment, the employee consents to any monitoring by the Company and should understand that there is no right to privacy with respect to such communications, to the extent permissible under applicable law.

Driving for Company Business, Cell Phone Use While Driving

All employees are expected to comply with all local, state and federal laws while driving a personal vehicle for business purposes. For example, employees are required to have and maintain a valid driver's license, wear seat belts and travel at a safe speed. Employees will be responsible for all liabilities, fines, etc., that result from such traffic and parking violations, to the extent permissible under the law.

If an employee's job requires them to drive for work purposes, they must report any traffic violations, citations, and/or accidents to their manager and Human Resources as they occur. Any employee who conceals such violations, citations and/or accidents may be subject to disciplinary action, up to and including termination.

The Company prohibits employees from using cellular phones for any reason while driving for work-related purposes. If an employee receives a call or text while driving, the employee must pull over safely, park, and then either address the call or text. If an employee needs to make a Company-related call or send a text, they must also pull over safely, park and then place the call/send the text.

Employees who are charged with traffic violations, or cause accidents or injuries, resulting from their use of a telephone or device while driving will be solely responsible for all liabilities, fines, etc., that result, to the extent permissible under the law. Employees whose job responsibilities do not specifically include driving, but who use their personal cellular telephone for business use, are also expected to abide by the provisions of this policy.

No Solicitation/Distribution of Literature

The Company has established the following rules applicable to all employees and nonemployees that govern solicitation, distribution of written material and access to Company property:

- Employees may engage in solicitation activities only during nonworking times. No employee may engage in solicitation during their own working time or during the working time of the employee or the employees at whom such activity is directed;
- Employees may distribute or circulate any written or printed material only in non-work areas, during nonworking times. No employee may distribute or

circulate any written or printed material in work areas at any time, or during their own working time or the working time of the employee or employees at whom such activity is directed;

- Nonemployees are not permitted to solicit or to distribute written material for any purpose on Company property; and
- Off-duty employees are not permitted in work areas.

Strict compliance with these rules is required.

As used in this policy, “working time” includes all time for which an employee is paid and/or is scheduled to be performing services for the Company; it does not include break periods, meal periods, or periods in which an employee is not performing and is not scheduled to be performing services or work for the Company.

Social Media

At the Company, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

In the rapidly expanding world of electronic communication, “social media” can mean many things. “Social media” includes all means of communicating or posting information or content of any sort on the Internet, including, without limitation, to your own or someone else’s web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication.

The same principles and guidelines found in this Handbook apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow employees or otherwise adversely affects customers, suppliers, people who work on behalf of the Company or the Company’s legitimate business interests may result in disciplinary action up to and including termination.

Know and follow the rules

Carefully read this policy, the “Electronic Resources” policy, the “Equal Employment Opportunity” policy, the “Policy Against Harassment, Discrimination and Retaliation” and the “Workplace Violence Prevention” policy, and ensure your postings are consistent with these policies. Inappropriate postings that may violate any of those policies or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Be respectful

Always be fair and courteous to fellow employees, customers, suppliers, or people who work on behalf of the Company. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or manager or by utilizing our “Open door” policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, employees or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone’s reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policy.

Be honest and accurate

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about the Company, fellow employees, customers, suppliers, people working on behalf of the Company, or competitors.

Always keep in mind

You are required to maintain the confidentiality of Company trade secrets and private or confidential information.

You may only express only your personal opinions. Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of the Company, fellow employees, members, customers, suppliers or people working on behalf of the Company. If you do publish a blog or post online related to the work you do or subjects associated with Thoroughbred Express, make it clear that you are not speaking on behalf of the Company. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of Thoroughbred Express.”

EMPLOYEE BENEFITS

Benefits Overview

Benefit plans offered by Thoroughbred Express, are defined in legal documents such as insurance contracts and summary plan descriptions. If employees are offered benefits, and if a question arises about the nature and extent of plan benefits or if there is a conflict in language, the formal language of the Plan documents govern, not the informal wording of this Handbook. Plan documents, if applicable, are available for your inspection. The Company and its designated benefit-plan administrators reserve the

right to determine eligibility, interpretation and administration of issues related to benefits offered by the Company.

Employment benefits vary according to the position and status of the employee.

Employees should contact Human Resources for detailed benefits information.

Health, Dental, and Vision Insurance

Health, dental, and vision insurance provides numerous benefits, including access to affordable healthcare services, financial protection against high medical costs, and preventative care coverage. It also offers peace of mind by ensuring that individuals and their families are covered in case of unexpected medical emergencies. Thoroughbred Express is proud to offer a full suite of medical insurance options to all full-time employees after 90 days of employment. For detailed information about specific insurance benefits, employees can refer to their Insurance Benefits Packet, which contains comprehensive details and guidelines.

Free Car Washes

All employees will receive one (1) complimentary Secretariate wash per week. This wash can be utilized by the employee on their personal vehicle, or it can be used on a friend or family member's vehicle provided the employee is present at the time of redemption. The manager on duty must process the employee wash and the receipt must be signed by the employee and the manager on duty and the receipt must be retained for record keeping purposes. Any abuse of the employee wash benefit will result in the suspension of the benefit for those involved and may result in further disciplinary action.

Workers' Compensation

When work-related accidents, injuries or illnesses occur, employees may be eligible for workers' compensation insurance benefits. The Company provides a comprehensive workers' compensation insurance program at no cost to employees and in accordance with applicable state law. This program covers most injuries or illnesses, sustained in the course of employment, that require medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits or, if the employee is hospitalized, treatment immediately.

Reporting Work-Related Injury or Illness

Employees who sustain a work-related injury or illness should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage.

Leaves of Absence/Accommodation

Employees who need to take time off from work due to a workers' compensation illness or injury may also be eligible for a leave of absence under the Company's leaves of

absence or reasonable accommodation policies. Employees should consult with Human Resources for additional information.

Return to Work

Employees who are ready to return to work following a workers' compensation-related leave of absence must supply a certification from a health care provider confirming the employee's ability to return to work.

Fraud

The Company will notify the workers' compensation insurance company if we have reason to believe an employee has supplied false or misleading information in connection with a claim and/or has filed a fraudulent claim. Workers' compensation fraud is a crime and may also be grounds for disciplinary action, up to and including termination of employment.

LEAVING THE COMPANY

Separation from Employment

Employees of the Company are employed on an at-will basis. This means that employment may be terminated by either party at any time, with or without cause or notice. Nothing in this policy is intended to limit or alter the at-will nature of your employment.

Employees may leave the Company for a variety of reasons. Regardless of the reason, we strive to ensure that all separations from employment are handled fairly, efficiently and in compliance with applicable federal and state laws.

Pay and Benefits Upon Termination

Final wages will be paid in accordance with applicable law. In accordance with Company policy, PTO will not be paid upon termination unless otherwise required by law.

Return of Company Property

Employees are required to return all company property (e.g., computers, vehicles, passwords, uniforms, ID badges, credit cards) that is in their possession or control in the event of termination of employment, resignation, retirement or layoff or immediately upon request. No information belonging to the Company can be copied for the employee's use. We may also take all action deemed appropriate to recover or protect company property.

References/Verifications of Employment

So that the Company can handle requests for job references in a consistent, fair and lawful manner, all requests for official job references on behalf of the Company should

be forwarded to Human Resources. No one else is authorized to release references on the Company's behalf for current or former employees. Our policy concerning references for former employees is to disclose only the dates of employment and the title of the last position held. If an employee authorizes disclosure in writing, we will also provide a prospective employer with information on the amount of the salary or wage last earned.

ACKNOWLEDGEMENT AND RECEIPT

I acknowledge that I have received and read a copy of the Thoroughbred Express (the “Company”) Employee Handbook. I understand that the Employee Handbook sets forth the terms and conditions of my employment with the Company as well as the duties, responsibilities, and obligations of employment with the Company. I understand that the Company has provided me various alternative channels to raise concerns of violations of this Handbook and Company policies and encourages me to do so promptly so that the Company may effectively address such situations. I understand that nothing in the Handbook interferes with any right to report concerns, make lawful disclosures, or communicate with any governmental authority regarding potential violations of laws or regulations. I agree to abide by and be bound by the rules, policies and standards set forth in the Employee Handbook.

I acknowledge that, except where required otherwise by applicable state law, my employment with the Company is at-will, meaning that it is not for a specified period of time and that the employment relationship may be terminated at any time for any reason, with or without cause or notice, by me or the Company. I further acknowledge that only the Company’s Director of Operations has the authority to enter into an agreement that alters the fact that my employment with the Company is at-will. Any such agreement must be in writing and signed by the Director of Operations.

I further acknowledge that the Company reserves the right to revise, delete and add to the provisions of the Employee Handbook, but that all such revisions, deletions or additions must be in writing. I also understand that this Employee Handbook and the policies contained in it do not in any way constitute and should not be construed as a contract of employment between me and Thoroughbred Express, or a promise of employment.

I understand and acknowledge that nothing in this Handbook or in any other document or policy is intended to prohibit me from reporting concerns to, filing a charge or complaint with, making lawful disclosures to, providing documents or other information to or participating in an investigation or hearing conducted by the Equal Employment Opportunity Commission (“EEOC”), National Labor Relations Board (“NLRB”), Securities and Exchange Commission (“SEC”) or any other federal, state or local agency charged with the enforcement of any laws. I also understand and acknowledge that nothing about the policies and procedures set forth in this Handbook should be construed to interfere with any employee rights provided under state or federal law, including Section 7 of the National Labor Relations Act.

I have read and understand the above statements.

Employee Signature

Print Name

Date