# RFG OIL, INC EMPLOYEE HANDBOOK

# Welcome to RFG OIL, INC

# **Our History**

RFG Oil, Inc. was founded in 1990 and is now one of the largest independent quick lube operators in the U.S. RFG Oil is committed to the highest standards of policies and procedures, the utmost in quality and customer service and development of its people to their full potential.

# **MISSION STATEMENT**

### **PURPOSE / PHILOSOPHY**

The RFG Oil, Inc. companies will grow in a highly competitive environment by being consumer, market and competitor driven in our core businesses: Automotive, industrial and commercial lubricants, chemicals and coatings, and automotive services.

We will operate with a philosophy which delivers more than quality products and services at fair prices. In short, we will be a high performance company in all our activities and transactions, both internally and externally.

#### RFG Oil, Inc. as a High-Performance Company

We define "high performance" as the combination of superior quality and high achievement.

#### A. SUPERIOR QUALITY

\* People - People are our most important resource. We will respect individual rights, provide a safe, healthy work environment and ensure equal opportunity for training and, development and advancement.

\* Communication and Teamwork - Open, honest and full communication forms the bond between employees and with suppliers and trade customers which maximizes teamwork.

\* Products and Services - quality is never an accident. We will provide superior quality products and services which exceed specific consumer, industrial and commercial wants and needs.

\* Relationships and Responsibilities - anchored by the highest moral, ethical and legal standards and practices, we will build "partnership" relationships with suppliers, trade customers and consumers. This obligation extends to our employees, their families and the communities we serve.

#### **B. HIGH ACHIEVEMENT**

\* Corporate - The commitment to high performance and superior quality will be the catalyst for maximizing return on investment for shareholders.

\* Individual - RFG Oil, Inc. will encourage, measure and reward the highest levels of achievement by individual employees, suppliers and trade customers.

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# RFG OIL, INC.

# What RFG Oil, Inc. Expects of You

RFG Oil, Inc. can continue to provide the best possible employment and promotional opportunities for employees as long as we contribute to be successful in business. The company's success depends on each employee's commitment to high standards of performance. RFG OIL, INC. expects you:

- To use your judgment to find a way to complete each customerservice task; to truly help the customer, and give them the benefit of the doubt; to add value to each customer interaction.
- To be honest, cooperative, and courteous.
- To perform your work to the best of your ability in a careful and efficient manner; to work safely and immediately report unsafe conditions, accidents, and work injuries to your supervisor.
- To maintain a regular and prompt attendance record. If it is necessary for you to be absent, notify your supervisor as soon as possible, no later than one hour before your scheduled shift.
- To conduct business in an orderly, professional, and business-like manner, and to dress in a manner appropriate for your department.

These performance expectations have been established to maintain a high level of customer service, and to ensure the safety and well-being of all RFG Oil, Inc. employees.

# Commitment to Excellence

At RFG Oil, Inc., service to our customer is the number one concern. Our quality of service depends upon:

- 1. Being courteous to **every** customer.
- 2. Demonstrating a pride of workmanship that will ensure trouble-free services.
- 3. Reflecting a positive attitude towards our customers, our products, and fellow employees.
- 4. Displaying a professional appearance at all times while on the job.
- 5. Making the effort to report to work each scheduled day so that customer needs can be met and fellow employees don't bear the burden of excess workload.
- 6. Accepting accountability for an assigned job and the successful completion of team goals.
- 7. Expressing concern for the company image/reputation and accepting the concept that "the employee is the company."
- 8. Following all published safety practices, knowing that the safe way is the best way.
- 9. Exerting the extra effort to follow-through; not expecting that someone else will do it.
- 10. Providing feedback to each customer about what action has been or will be taken.
- 11. Being the type of person known for impeccable honesty and strong character whose reliability is unquestioned.
- 12. Participating in the betterment of the company by recommending creative solutions when problems are identified.
- 13. Seeking continuous knowledge about our products and our industry in order to better inform our customers.
- 14. Contributing the highest level of productivity and constantly striving to be better than yesterday.

As an employee of RFG Oil, Inc., I support these 14 quality measurements and my signature acknowledges my commitment to uphold these principles in my daily work performance.

Print Name

Signature

Date

# **About This Handbook**

This handbook was prepared to give you a general orientation to RFG Oil, Inc.

RFG OIL, INC. expects to continue the policies and procedures outlined in this handbook. However, the company reserves the right to withdraw, revise or replace any and all policies and procedures included in this book at any time. You will receive notification of policy revisions when changes occur.

This handbook is not a contract of employment, and your employment may be terminated with or without cause at any time by either RFG OIL, INC or you. No company representative has the authority to enter into any employment agreement which is contrary to the information given above.

As you read through this material, make note of any questions you have to discuss with your supervisor or manager. We suggest that you keep the handbook where you can refer to it for answers to questions that you may have later.

After reading the handbook, please sign the Handbook Receipt provided and return to your supervisor or human resources department.

# **Right to Revise**

This employee handbook contains the employment policies and practices of RFG OIL, INC in effect at the time of publication. All previously issued handbooks and any inconsistent policy statements or memoranda are superseded.

RFG OIL, INC reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment. However, any such changes must be in writing and must be signed by the President.

Any written changes to this handbook will be distributed to all employees so that employees will be aware of the new policies or procedures. No oral statements or representations can in any way alter the provisions of this handbook.

This handbook sets forth the entire agreement between you and RFG OIL, INC as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this employee handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

# **Equal Employment Opportunity**

To meet the many challenges of a changing environment, RFG OIL, INC values employee diversity. We are committed to providing equal employment opportunity for all persons regardless of race, color, religion, gender, national origin, age, citizenship status, disability, or status as a disabled veteran or veteran of the Vietnam era. The policy applies to all aspects of the employment relationship, including:

- Initial consideration for employment;
- Job placement and assignment of responsibilities;
- Performance evaluations;
- Promotion and Advancement;
- Compensation and fringe benefits;
- Training and professional development opportunities;
- Formulation and application of human resource policies and rules;
- Facility and service accessibility;
- Layoff and recall from layoff; and
- Corrective action and termination.

Employees who believe they have been subject to unlawful discrimination or harassment should report the matter promptly to their supervisor or local human resources department.

Employees who violate RFG OIL, INC's EEO policy are subject to prompt corrective action, up to and including termination of employment.



# **Unlawful Harassment**

It is the policy of RFG OIL, INC that all employees should be able to enjoy a work atmosphere free from all forms of discrimination, including sexual harassment and any form of unlawful harassment.

Sexual harassment is a form of sex discrimination and an "unlawful employment practice" under title VII of the 1964 Civil Rights Act and is defined as follows:

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of sexual nature when:

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

Unlawful harassment is verbal or physical conduct that denigrates or shows hostility, hate, or aversion toward an individual because of his or her race, color, creed, religion, sex, national origin, or other protected status.

Federal and State Laws as well as this policy prohibit behavior which:

- Has the purpose and effect of creating an intimidating, hostile, or offensive work environment; or
- Has the purpose or effect of unreasonably interfering with an individual's work environment; or
- Otherwise adversely affects an individual's employment opportunities.

Any employee who believes he or she has been the subject of sexual or unlawful harassment should

- Try to calmly, but firmly and promptly notify the alleged harasser that his or her behavior is unwelcome. However, we recognize that sometimes a victim may find such confrontation difficult.
- Therefore, whether or not the employee decides to confront the harasser, he or she should <u>IMMEDIATELY</u> notify a supervisor and/or an officer of the company of the harassing situation so that an investigation can take place and appropriate action taken.

# ATTENDANCE AND PUNCTUALITY

Employees are expected to be at work during the entire scheduled work shift unless excused by their supervisors. Employees are responsible for notifying their supervisors in advance if they must be absent. If advance notice is impossible, the employee must call the supervisor on the day of the absence.

Regular and prompt attendance at work is required of all employees. If it does become necessary for you to be absent, it is your responsibility to notify your manager or assistant manager **at least one hour before your scheduled shift**.

In an emergency situation, you must notify your manager or assistant manager as soon as possible. If you fail to call in to report your absence, it will be recorded as an unexcused absence and may result in disciplinary action that can include termination for job abandonment. Failure to call in for two successive days to report your absence will automatically be considered a voluntary termination of your employment.

#### If you are tardy or absent from work without a written doctor's excuse three times within any twomonth period, your employment may be terminated with or without notice.

Supervisors may excuse employees without pay to the extent an absence is covered by specific Human Resources policies, such as jury duty, death in the immediate family, etc. These policies are not all-inclusive, however, and supervisors may authorize excused time off with or without pay for other personal emergencies. Such decisions are generally based on an assessment of the employee's overall attendance record and whether the scheduling of makeup time during the same workweek is impractical. This provision is intended to allow a measure of discretion to supervisors and does not constitute a right of the employee.

Attendance and punctuality are important considerations in employee performance appraisals. Excessive absenteeism or chronic tardiness and other work schedule abuses may result in disciplinary action, up to and including termination.

# **At-will Employment Status**

RFG OIL, INC personnel are employed on an at-will basis. Employment at-will may be terminated with or without cause and with or without notice at any time by the employee or RFG OIL, INC. Nothing in this handbook shall limit the right to terminate at-will employment. No manager, supervisor, or employee of RFG OIL, INC has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the President of RFG OIL, INC has the authority to make any such agreement, which is binding only if it is in writing.

# **Arbitration Policy Statement**

If an employment dispute arises while you are employed at RFG Oil, Inc, RFG Oil, Inc requests that you agree to submit any such dispute arising out of your employment or the termination of your employment (including, but not limited to, claims of unlawful termination based on race, sex, age national origin, disability, breach of contract or any other bias prohibited by law) exclusively to binding arbitration under the federal Arbitration Act, 9 U.S.C., Section 1. Similarly, any disputes arising during your employment involving claims of unlawful discrimination or harassment under federal or state statutes shall be submitted exclusively to binding arbitration under the exclusive means of resolving any dispute arising out of your employment or termination from employment by RFG Oil, Inc or you, and no other action can be brought by employees in any court or any forum.

By simply accepting or continuing employment with RFG Oil, Inc, you automatically agree that arbitration is the exclusive remedy for all disputes arising out of or related to your employment with RFG Oil, Inc and you agree to waive all rights to a civil court action regarding your employment and the termination of your employment with RFG Oil, Inc; only the arbitrator, and not a judge nor a jury, will decide the dispute.

If you decide to dispute your termination or any other alleged incident during your employment, including but not limited to unlawful discrimination or harassment, you must deliver a written request for arbitration to RFG Oil, Inc within one (1) year from the date of termination, or one (1) year from the date on which the alleged incident(s) or conduct occurred, and respond within fourteen (14) calendar days to each communication regarding the selection of an arbitrator and the scheduling of a hearing. If RFG Oil, Inc does not receive a written request for arbitration from you within one (1) year, or if you do not respond to any communication from RFG Oil, Inc about the arbitration proceedings within fourteen (14) calendar days, you will have waived any right to raise any claims arising out of the termination of your employment with RFG Oil, Inc, or involving claims of unlawful discrimination or harassment, in arbitration and in any court or other forum.

You and RFG Oil, Inc shall each bear respective costs for legal representation at any such arbitration. The cost of the arbitrator and court reporter, if any, shall be shared equally by the parties.



# Acknowledgment and Agreement with RFG Oil, Inc Arbitration Policy

My signature on this document acknowledges that I understand the above Arbitration Policy and agree to abide by its conditions. I also acknowledge that I understand my employment is at-will and may be terminated at any time, with or without reason, by either RFG Oil, Inc or myself. I further agree that, in accordance with RFG Oil, Inc's Arbitration Policy, I will submit any dispute - including but not limited to my termination - arising under or involving my employment with RFG Oil, Inc to binding arbitration within one (1) year from the date the dispute first arose. I agree that arbitration shall be the exclusive forum for resolving all disputes arising out of or involving my employment with RFG Oil, Inc or the termination. I further understand that I will be responsible for half of the cost of the arbitrator and any incidental costs of arbitration.

Employee Name (printed)

Date

Employee Signature

Manager / Supervisor / Team leader / Designated Company Representative) Signature

Date

Note: The original of this form will be placed in your personnel file. Please contact the main office @ 858-273-8539 for copies.

# HIRING

# **ORIENTATION PERIOD**

Employees are considered "in training" during the first six weeks of employment. The orientation and training period gives the employee and RFG Oil, Inc. the opportunity to determine whether or not the employee is a good fit for RFG Oil, Inc.'s culture, values, and standards. The orientation period may be extended at the discretion of and as required by the supervisor. At the end of the orientation period, performance will be reviewed. Completion of the orientation period does not provide particular job rights or guarantees to the employee. RFG Oil, Inc. has no obligation to retain an employee for the entire orientation period. If in its determination, performance, conduct, or other business conditions justify termination of employment. Likewise, the employee is free to resign at any time.

# **NEW HIRE PACKET**

All new employees are required to complete a hiring paperwork packet on the first day of employment at RFG Oil, Inc. Managers should clarify any questions or concerns the new employee might have concerning these documents.

Federal law requires an employer to maintain complete and accurate records on all employees. Hiring paperwork is added to the employees personnel file at the Main Office. Managers should be aware of the falsification of records or willful failure to keep personnel records is against the company policy.

Accurate employee records are also needed to support all personnel actions. Service Center Managers should pay careful attention to the completion of all necessary documents when hiring a new employee. Remember that employee records are RFG Oil, Inc. property and all personnel data is confidential. Any employee with access to this information must ensure that it is available to authorized RFG Oil, Inc. employees on a need-to-know basis only, as required by law. File cabinets with these files should be locked at all times.

Managers should hand the hiring paperwork packet to the applicant when he/she is offered and accepts employment at RFG Oil, Inc. The content of the Hire Packet is as follows:

# Hire Packet:

- 1. Employment Verification (Form I-9)
- 2. W-4 Form
- 3. RFG Oil, Inc. Employee Handbook
- 4. Employee Handbook Acknowledgment
- 5. Bump Hat & Safety Agreement
- 6. Workplace Injury
- 7. Motorcycle Agreement
- 8. Alternative Workweek Schedule
- 9. Uniform Agreement
- 10. Final Wages Agreement
- 11. Employee Timecards
- 12. Safety Training
- 13. Code of Safety Practices
- 14. Anti-Harassment Policy

The Service Center Manager is responsible for making certain that all hiring paperwork is completed, signed and dated before submitting to Payroll Department.



# **EMPLOYMENT VERIFICATION**

All new employees must complete the Employment Eligibility Verification (Form I-9) on his/ her first day of employment with RFG Oil, Inc.

The form I-9 has been developed for verifying that persons are eligible to work in the United States. The following instructions will help you understand your responsibility for completing the form and understanding the law. This is not intended as a formal exhaustive statement of an employee's responsibilities and is not a contract of employment. RFG Oil, Inc. reserves the right to amend, modify and/ or eliminate any of these policies, rules and procedures at its discretion.

The I-9 forms are to be completed by employees after they have been hired, but before they begin their first shift. DO NOT have an applicant complete the I-9 prior to his/her first day of employment as it asks questions, which could be seem as discriminatory in nature.

Procedures for completing Eligibility Verification (Form I-9):

- Employees complete their part of the I-9 when they start to work. Form I-9 contains two sections. The employee completes section 1. I an employee cannot complete section 1 by him/ herself or needs the form translated, a translator may assist. The preparer or translator should read the form to the employee; assist with completing the form as needed and have the employee sign the form and complete the Preparer and Translator section.
- 2. Check documents establishing employee's identity and eligibility to work. When completing the form I-9, the employee must provide a document(s) that establishes identity and employment eligibility. These documents appear in list A, B and C on the bottom of the half form. Examine one document from list A and check the appropriate box, or examine one document form list B and one form list C and check the appropriate boxes. For the document(s) checked provide the identification number and the expiration date, if any.
- 3. The employer should review the document(s) provided by the employee. Documents should appear to be genuine and relate to the individual.
- 4. Properly complete the I-9. The manager should complete the second section, steps 5 and 6. As always, make certain that you sign and date the form.

# W-4

All new employees must complete the W-4 on his/her first day of employment with RFG Oil, Inc.

All new employees must complete a W-4 form on his/her first day of employment. The W-4 form is completed so that the employer can withhold the correct amount of federal income tax from the employee's gross pay. When complete, the W-4 form should be sent to the Payroll Department with all other original hire paperwork. All hiring paperwork will be filed in the employee's file.

The employee should carefully read the instructions and use the Personal Allowance Worksheet on the top of the form to aid in completing the Employee's Withholding Allowance Certificate on the bottom of the form. Use the deductions and Adjustments Worksheet on the back of the form as well, if necessary. Employees may keep the worksheet portion for their records. The Employee's Withholding Allowance Certificate is submitted to Payroll Department along with all other hiring paperwork.

Procedures for completing the W-4 Form:

- 1. The new employee should read the instructions.
- 2. Read and complete the worksheet portion of the form.
- 3. Complete the personal information on the bottom of the form. Enter the number of allowances claimed form line G of the worksheet.
- 4. The employee should sign and date the W-4.



# **EMPLOYEE HANDBOOK**

All new employees must read the Employee Handbook and sign the Employee Handbook Acknowledgement Form on his/her first day of employment with RFG Oil, Inc.

The Employee Handbook is also a part of the new hire paperwork. The handbook summarizes RFG Oil, Inc. employment practices, policies, procedures, and benefits. RFG Oil, Inc. reserved the right to amend the handbook at any time. The handbook is not a contract of employment between the employee and RFG Oil, Inc.

Completing the Employee Handbook Acknowledgement:

 On the employee's first day of work, the employee should read the handbook. After reading the handbook the partner should sign and date the Employee Handbook Acknowledgement, indicating that he/she has read, understands and agrees to comply with RFG Oil, Inc. policies and procedures.

The Employee Handbook Acknowledgement Form should not be signed before the employee has thoroughly read the handbook. Employees should read the Handbook during their regularly scheduled shift. Employees must be paid for the time to read Handbook.

 The manager should also sign and date the Employee Handbook Acknowledgement Form completed by the employee. When completed, the Employee Handbook Acknowledgement Form should be sent to the Payroll Department with all other original new hire paperwork. All hiring paperwork will be filed in the employees file.



### **Our Professional Code of Conduct and Honesty**

As an employee of RFG Oil, Inc., I agree to the following:

#### My Pledge to our customers

- I will provide our customers with the highest quality service in a prompt and professional manner at a fair price.
- I will recommend only those services and products which a customer truly needs based on their vehicles' manufacturer's recommendations or as recommended by RFG Oil, Inc. Franchising Inc. based on their reputable research and findings. I will not recommend any fluid services based solely on sight or smell.
- I will be open and honest with all customers and allow them to inspect or ask questions about any service I have performed.
- I will treat all customers with courtesy, respect and professionalism.
- I will be prompt, fair and courteous in responding to any customer concern or claim and will also promptly notify my superior.
- I will charge the customer only the fair price posted in my store or only on our approved price list.

#### My Pledge to my co-workers

- I will strive to keep our workplace safe, honest and enjoyable.
- I will treat all my co-workers fairly and with respect.
- I will not harass, demean, ridicule or discriminate against any of my co-workers.

#### My Pledge to my employer

- I will not perform any act of dishonesty. These acts include:
  - Performing <u>any</u> services for which my employer is not fully paid.
  - $\circ$  Theft of cash or any products.
  - Theft of any tools or other assets.
  - Not properly reporting the hours that I work.
- I will promptly report to my supervisor, if I witness, or have any knowledge of any act of dishonesty, any violations of the pledge, or any violations of Company Policy and Procedures.
- If at any time I believe that any suspicious behavior should be reported, I will call 877-201-6821.

I agree to comply with this pledge at all times. I understand that my failure to adhere to this pledge will result in corrective action, possibly including suspension and termination off my employment

# JOB DESCRIPTIONS

Please refer to the appropriate Super-Pro training manuals for job functions and duties. Refer any/all questions to your immediate supervisor.

# LEAVES OF ABSENCE

# PREGNANCY DISABILITY LEAVE

Pregnancy, childbirth, or related medical conditions will be treated like any other disability, and an employee on leave will be eligible for temporary disability benefits in the same amount and degree as any other employee on leave.

Any female employee planning to take pregnancy disability leave should advise the personnel department as early as possible. The individual should make an appointment with their Supervisor to discuss the following conditions:

- Employees who need to take pregnancy disability must inform RFG Oil, Inc. when a leave is expected to begin and how long it will likely last. If the need for a leave or transfer is foreseeable, employees must provide notification at least 30 days before the pregnancy disability leave or transfer is to begin. Employees must consult with their Supervisor regarding the scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the Company. Any such scheduling is subject to the approval of the employee's health care provider. If 30 days' advance notice is not possible, notice must be given as soon as practical;
- Upon the request of an employee and recommendation of the employee's physician, the employee's work assignment may be changed if necessary to protect the health and safety of the employee and her child;
- Requests for transfers of job duties will be reasonably accommodated if the job and security rights of others are not breached;
- Temporary transfers due to health considerations will be granted when possible. However, the transferred employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons;
- Pregnancy leave usually begins when ordered by the employee's physician. The employee must provide RFG Oil, Inc. with a certification from a health care provider. The certification indicating disability should contain:
  - The date on which the employee became disabled due to pregnancy;
  - > The probable duration of the period or periods of disability; and
  - A statement that, due to the disability, the employee is unable to perform one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.
- Leave returns will be allowed only when the employee's physician sends a release;
- An employee will be required to use accrued sick time (if otherwise eligible to take the time) during a pregnancy disability leave. An employee will be allowed to use accrued vacation or personal time (if otherwise eligible to take the time) during a pregnancy disability leave; and

(PDL Continued)

• Employees disabled by pregnancy may take up to four months. Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the employee's pregnancy, childbirth, or related medical condition. This includes leave for severe morning sickness and for prenatal care.

Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Under most circumstances, upon submission of a medical certification that an employee is able to return to work from a pregnancy disability leave, an employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available. An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.



# COORDINATION OF PDL WITH FAMILY/MEDICAL LEAVE

If you take pregnancy disability leave and are eligible under the federal or state family and medical leave laws, RFG Oil, Inc will maintain group health insurance coverage for up to a maximum of 12 workweeks (if such insurance was provided before the leave was taken) on the same terms as if you had continued to work. Leave taken under the pregnancy disability policy runs concurrently with family and medical leave under federal law, but not family and medical leave under California Law. If you are ineligible under the federal and state family and medical leave laws, while on pregnancy disability you will receive continued paid coverage on the same basis as other medical leave that RFG Oil, Inc. may provide and for which you are eligible. In some instances, RFG OIL, INC may recover premiums it paid to maintain health coverage for you if you fail to return to work following pregnancy disability leave.

If you are on pregnancy disability leave and are not eligible for continued paid coverage, or if paid coverage ceases after 12 workweeks, you may continue your group health insurance coverage through the Company in conjunction with federal COBRA guidelines by making monthly payments to RFG OIL, INC for the amount of the relevant premium. Contact your Supervisor for further information.

# FAMILY/MEDICAL LEAVE

State and federal family and medical leave laws provide up to 12 workweeks of unpaid family/medical leave within a 12 month period, under the following conditions:

The employee has more than 12 months of service:

- The employee has worked at least 1,250 hours during the previous 12-month period before the need for leave; and
- The employee is employed at a work site where there are 50 or more employees within a 75 mile radius.

Leave may be taken for one or more of the following reasons:

- The birth of the employee's child, or placement of a child with the employee for adoption or foster care;
- To care for the employee's spouse, registered domestic partner, child, or parent who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform his or her job.

For purposes of calculating the 12-month period during which 12 weeks of leave may be taken, RFG OIL, INC. uses a standard calendar year.

Under most circumstances, leave under federal and state law will run at the same time and the eligible employee will be entitled to a total of 12 weeks of family and medical leave in the designed 12-month period.

However, leave because of the employee's disability for pregnancy, childbirth or related medical condition is not counted as time used under California law (the California Family Rights Act). Time off because of pregnancy disability, childbirth or related medical condition does count as family and medical leave under federal law (the Family and Medical Leave Act). Employees who take time off for pregnancy disability and who are eligible for family and medical leave will also be placed on family and medical leave that runs at the same time as their pregnancy disability leave. Once the pregnant employee is no longer disabled, she may apply for leave under the California Family Rights Act, for purposes of baby bonding.

Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time. California Family Rights Act leave taken for the birth or placement of a child will be granted in minimum amounts of two weeks. However, the Company will grant a request for a California Family Rights Act Leave (for birth/placement of a child) of less than two weeks' duration on any two occasions. Any leave taken must be concluded within one year of the birth or placement of the child with the employee.

# FAMILY/LEAVE POLICY REQUEST PROCEDURES

Please contact the Personnel Department at (858)490-3920 as soon as you realize the need for family/medical leave.

If the leave is based on the expected birth, placement for an adoption or foster care, or planned medical treatment for a serious health condition of the employee or a family member, the employee must notify the Company at least **30 days** before leave is to begin. The employee must consult with his or her supervisor regarding scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the Company. Any such scheduling is subject to the approval of the health care provider of the employee or the health care provider of the employees' child, parent, or spouse. If the employee cannot provide a 30 day's notice, the Company must be informed as soon as is practical.

If the Family and Medical Leave Act/California Family Rights Act request is made because of the employee's own serious health condition, the Company may require, at its expense, a second opinion from a health care provider that the Company chooses. The health care provider designated to give a second opinion will not be one who is employed on a regular basis by the Company.

If the second opinion differs from the first opinion, the Company may require, at its expense, the employee to obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee. The opinion of the third health shall be considered final and binding on the Company and the employee.

The Company requires the employee to provide certification within 15 days of any request for family and medical leave under state and federal law, unless it is not practicable to do so. The Company may require recertification from the health care provider if additional leave is required.

If the leave is needed to care for a sick child, spouse, or parent, the employee must provide the certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition;
- Estimated amount of time for care by the health care provider; and
- Confirmation that the serious health condition warrants the participation of the employee.

When both parents are employed by the Company, and request simultaneous leave for the birth or placement for adoption or foster care of a child, the Company will not grant more than a total of 12 workweeks family/medical leave for this reason.

If an employee cites his or her own serious health condition a reason for leave, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition;
- Inability of the employee to work at all or perform any one or more of the essential functions of his/her position because of the serious health condition.

#### (FML - Continued)

The Company will require certification by the employee's health care provider that the employee is fit to return to his or her job.

Failure to provide certification by the health care provider of the employee's fitness to return to work will result in denial of reinstatement for the employee until the certificate is obtained.

An employee taking family medical leave will be allowed to continue participating in any health and welfare benefit plans in which he/she was enrolled before the first day of the leave (for a maximum of 12 workweeks) at the level and under the conditions of coverage as if the employee had continued in employment for the duration of such leave. The Company will continue to make the same premium contribution as if the employee had continued working. The continued participation in health benefits begins on the date leave first begins under Family and Medical Leave Act (e.g., for all other family care and medical leaves). In some instances, the Company may recover from an employee premiums paid to maintain health coverage if the employee fails to return to work following family/medical leave.

Employees on family/medical leave who are not eligible for continued paid coverage may continue their group health insurance coverage through the Company in conjunction with the federal COBRA guidelines by making monthly payments to the Company for the amount of the applicable premium. Employees should contact their supervisor for further information.

Paid leave will be substituted for unpaid leave in the following circumstances:

- Accrued sick leave is required to be used during Family and Medical Leave Act/California Family Rights Act Leave for the employee's own serious health condition, or, up to a limit of that which is accrued over six months, to attend to the illness of a child, parent, or spouse of the employee; or
- Vacation and other accrued time (other than sick leave) is required to be used for any family/medical leave qualifying event, except leave that is also pregnancy disability leave.

Paid leave may be substituted for unpaid leave in the following circumstances (Insert one of these payment options):

- Vacation and other accrued time (other than sick leave) may be used for any family/medical leave qualifying event.
- Accrued sick leave may be used by the employee for the employee's own serious health condition.
- Accrued sick leave may be used for the care of a family member if mutually agreed upon by the Company and the employee.
- Accrued sick leave may be used for the birth or placement for adoption or foster care of a child if mutually agreed upon by the Company and the employee.

#### (FML - Continued)

Under most circumstances, upon return from family/medical leave, an employee will be reinstated to his or her original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee has no greater right to reinstatement than if he or she had been continuously employed rather than on leave. For example, if an employee on family/medical leave would have been laid off had he or she not gone on leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement. In addition, an employee's use of family/medical leave will not result in the loss of any employment benefit that the employee earned before using family/medical leave.

Reinstatement after family/medical leave may be denied to certain salaried "key" employee under the following conditions:

- An employee requesting reinstatement was among the highest-paid 10 percent of salaried employees employed within 75 miles of the work site at which the employee worked at the time of the leave request;
- The refusal to reinstate is necessary because reinstatement would cause substantial and grievous economic injury to the Company's operations;
- The employees is notified of the Company's intent to refuse reinstatement at the time the Company determines the refusal is necessary; and
- If leave has already begun, the Company gives the employee a reasonable opportunity to return to work following the notice described previously.

**Option: Time Accrual** 

Employees on Family and Medical Leave Act/California Family Rights Act leave will not continue to accrue vacation and sick leave during unpaid Family and Medical Leave Act/California Family Rights Act Leave.

#### **Option:** Carryover

Leave granted under any of the reasons provided by state and federal law will be counted as family/medical leave and will be considered as part of the 12-workweek entitlement in a 12-month period. The 12-month period is measured forward from the date any employee's first Family and Medical Leave Act leave begins. Successive 12-month periods commerce on the date of any employee's first use of such leave after the preceding 12-month period has ended. No carryover of unused leave from one 12-month period to the next 12-month period is permitted.

#### **Option: Intermittent Leave**

Employees may take Family and Medical Leave Act/California Family Rights Act leave intermittently (in blocks of time, or by reducing their normal weekly or daily work schedule) if the leave is for the serious health condition of the employee's child, parent, or spouse, or of ht employee, and the reduced leave schedule is medically necessary as determined by the health care provider of the person with the serious health condition. The smallest increment of time that can be used for such leave is ONE WORK DAY.

# For additional information about eligibility for family/medical leave, contact the Personnel Department at (858)273-8539.

# SICK LEAVE

Prior to July 1<sup>st</sup> 2015, only the following salaried exempt employees were eligible for Sick pay:

- 1. Administrative personnel (excluding hourly non-exempt personnel)
- 2. District Managers & Service Center Managers (excluding Associate Service Center Managers)

Effective July 1<sup>st</sup> 2015, in accordance with California State Labor Laws (Healthy Workplace Healthy Family Act of 2014 [AB 1522]), ALL company employees are now eligible for Sick PTO as follows:

- ALL employees will accrue 1 hour of Sick/PTO for every 30 hours worked
- Employees can use up to 24 hours (3 days) of PTO Maximum per year (or every 12 months)
  - Employees may accrue up to a maximum of 48 hours of Sick/PTO, but still may only use 24 hours every 12 months (3 Days per every 1 Year)
  - $\circ$   $\;$  The 12 month period will vary depending on hire date  $\;$
  - After satisfying the company mandated probationary period, an employee may use accrued sick days beginning on the 90<sup>th</sup> day of employment.
  - Accruals will begin on the first day worked and
  - Available Sick/PTO hours accrued will be updated/documented each payroll cycle.
- Employees will not be paid for any unused accrued sick time upon separation from Company.
  - Existing, previously eligible Employees will carry over their 1<sup>st</sup> Half of 2015 balances no greater than 40 hours and no less than 0 hours.
  - Existing Employees that were not eligible prior to 7/1/2015 will begin at 0 hours.
- Eligible Employees may request paid Sick/PTO days verbally or in writing to their supervisor to notify Company Payroll Department.
- Need to send the request to their DMs and notify payroll at <u>payroll@synfastoilchange.com</u> either the same day (out sick) or when employee is able to come back to work, along with the Store Work Schedule and doctor's note (if applicable).



# **MEDICAL LEAVE OF ABSENCE**

If you exhaust your sick pay and vacation benefits during a period of disability and are still unable to return to work, you may be eligible for a medical leave of absence for up to one year. Check your service center's bulletin board for information on State Disability compensation and the FMLA act.

Although your pay is not continued during a medical leave, certain employee benefit coverage may be continued. In order to qualify for a medical leave, you must submit a written statement from your personal physician verifying your physical inability to work.

# VACATION

The following salaried exempt employees are eligible for vacation pay:

Administrative personnel (excluding hourly non-exempt personnel)

**District Managers** 

Service Center Mangers (excluding Associate Service Center Managers)

Your vacation time begins accruing beginning on the first day of the seventh month of your full and uninterrupted month of employment at the rate of 80.0 hours per year or 6.667 hours every month.

Your vacation time is cumulative and you should not lose it if you don't use it right away. However, once you have accumulated a full 80.0 hours you should use it within the next twelve (12) months. You must obtain prior approval to use your vacation time at least one month in advance. Your use of vacation time is subject to this prior approval by the Company. You may be required you to use your vacation time at any time determined by the Company. The Company will also require that you use any accrued vacation hours for any day when you work less than your required minimum hours per day. When you use your accrued vacation hours, your available vacation hours will be reduced for each day of vacation time taken, based on your required minimum hours worked per week prorated over a 5 day work week.

The Company is not obligated to pay you in cash for any vacation hours not actually used, unless your employment has been terminated. When your employment with the Company has been terminated, you will be paid for any unused vacation hours at you're then current equivalent hourly rate of pay, which is determined based on your weekly salary divided by your required minimum hours worked per week.

# HOLIDAYS

The following salaried exempt employees are eligible for holiday pay:

Administrative personnel (excluding hourly non-exempt personnel)

**District Managers** 

Service Center Mangers (excluding Associate Service Center Managers)

Eligible employees must be employed in their positions for a full six (6) months before they can receive the Holiday pay.

Paid Holidays are as follows:

- 1. New Year's Day 4. Labor Day (A)
- 2. Independence Day 5. Thanksgiving Day
- 3. Memorial Day (A) 6. Christmas Day

For those eligible, holiday pay will be paid only for these 6 holidays. Easter is not a paid holiday. **(A)**Labor Day and Memorial Day are not paid holidays for Service Center Managers. Also, if you're suspended during the week of a holiday, you may not be eligible for holiday pay.

Due to the nature of our business, we generally have increased business just prior to and after all holidays. For this reason, all service center managers are required to work the day prior to and the day after all holidays to be paid for the holiday unless the holiday falls on a weekend. It may be that you will receive only one normal day off and the holiday day off. If this situation occurs, your area supervisor will arrange for you to be compensated for the missed day off.

The following is a list of **required working days** for all managers:

- 1. December 31<sup>st</sup> & January 2<sup>nd</sup>
- 2. Tuesday after Memorial Day
- 3. July 3<sup>rd</sup> & 5<sup>th</sup>
- 4. Tuesday after Labor Day
- 5. Wednesday and Friday/ Thanksgiving week
- 6. December 24<sup>th</sup> & 26<sup>th</sup>

# **PERSONAL LEAVE OF ABSENCE**

Employees with at least 12 months of continuous service may be granted a leave of absence without pay to further their education or other valid personal reasons which are deemed to be mutually advantageous to the company and the employee. There is no guarantee of reinstatement to active employment when a leave of absence expires. General guidelines for leaves of absence are considered to be for a minimum of one month and a maximum of 12 months.

# JURY DUTY

Employees selected for jury duty will be allowed excused time off without pay.

# **MILITARY OBLIGATIONS**

For employees who enlist in the Armed Forces of the United States and Reservists who are called upon to perform periods of training, the company provides military leaves of absence without pay.

For employees who incur absences due to short-term reserve military training and/or National Guard emergency call-up, the company provides excused time off. Military obligations should be discussed with you supervisor as soon as possible so that other arrangements can be made regarding your scheduled hours.

It is the company's policy to cooperate with national defense programs in times of war and peace. Any questions regarding time off to fulfill military obligations should be referred to your supervisor and/or Personnel Department.

### **BEREAVEMENT LEAVE**

The following salaried exempt employees are eligible for bereavement leave after 180 days of service:

Administrative personnel (excluding hourly non-exempt personnel)

**District Managers** 

Service Center Mangers (excluding Associate Service Center Managers)

Bereavement leave consists of up to two (2) days paid leave in the event of death of the following family members:

Spouse	Brother
Child or Stepchild	Sister
Parent	Mother-in-Law
Grandparent	Father-in-Law

You must obtain prior approval for any bereavement leave

### MANAGEMENT

#### PERSONNEL RECORDS

RFG Oil, Inc. maintains personnel files for all employees which contain information such as salary and performance evaluations. Employees have the right to confidentiality in these areas; therefore, no unauthorized personnel within the Company may have access to your file. No one outside the Company, without a legal need, may access your file.

You may request an appointment to see your file under the direct supervision of a Human Resource Manager or designee. Any employee who looks at his/her personnel file, or any other confidential employee information without authorization, is subject to corrective action.

Personnel files are confidential and must remain so. Each Service Center Manager is responsible for the security of the personnel files in his or her store.

It is important that information in your file remain up to date to ensure that you continue to receive Company correspondence and benefits information.

#### PERSONAL DATA

It is important to the company and to you to ensure that your personal data on company records is always up-to-date.

Changes in address, telephone number, emergency contact, etc., require that you notify your supervisor. Changes in your marital status or number of dependents, for example, require that you also consider the impact on your benefits, beneficiary designations or tax withholdings.

The following checklist has been developed to assist you.

Change in:

*Name	*Marital Status
*Address	*Birth/Adoption of a child
*Telephone number	*Death of spouse or child
*Emergency contact	*Any other change in dependency

Action: Notify your supervisor and make any corrections to benefit or tax forms.

The preceding checklist does not cover every situation or consideration; however, it should be useful as a starting point. **Remember, keeping your personal data up-to-date is your responsibility.** 

# **PERFORMANCE EVALUATIONS**

To ensure your performance is fairly rewarded, RFG Oil, Inc. has developed a systematic approach to performance evaluation. Your supervisor will explain the performance criteria and review with you at regular intervals. We encourage employees to take an active role in the review and development process.

# **CORRECTIVE/DISCIPLINARY ACTION**

RFG Oil, Inc. is an "at will" employer and reserves the right to terminate any employee for any reason with or without notice. Use of the Disciplinary Action Form is encouraged whenever an employee's behavior or conduct is not satisfactory. However, some behavior may warrant termination. RFG OIL, INC. reserves the right to use its sole discretion in managing the behavior of all its employees. Various factors, such as the nature of the incident, length of employment, history of discipline, and the employee's response to prior disciplinary action, will impact the type and degree of correction action imposed.

# NOTE: Disciplinary Action Forms are available in all Service Centers. For additional forms, please contact 858-273-8539.

#### PURPOSE

Use of the Disciplinary Action Form ensures that employees know what behaviors are expected, communicates to employees when conduct is unacceptable, gives employees a reasonable opportunity to correct the behavior and identifies for the employee that continued unacceptable behavior will result in further disciplinary action up to and including termination.

RFG OIL, INC. /RFG Oil, Inc's corrective/disciplinary action process gives recommendations for discipline based on the nature and severity of the behavior. RFG OIL, INC reserves the right in its sole discretion to determine the appropriate action for each situation. For the less serious offenses, a written warning may be issued. A final warning or termination may result when more serious violations occur or when the employee repeats behavior that is unacceptable.

#### TERMINATION WITHOUT WARNING

When the final written warning fails to produce the required behavior change or the behavior is so serious that it requires immediate termination without warning, the Service Center Manager must contact his/her District Manager to discuss termination. The District Manager must consult the Director of Operations prior to terminating the employee. The director of operations will then make his recommendation to the President. Only the President of RFG may approve termination of any employee.

# **EMPLOYEE PROPERTY**

For security reasons, employees should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice, with or without the employee's prior consent.

#### NOTE: RFG Oil, Inc. is not responsible for personal items that lost, damaged, or stolen.

Terminated employees should remove any personal items at the time they leave the Company. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

# **OPEN DOOR POLICY**

RFG Oil, Inc employees are to be treated in a fair manner. Any reasonable request, question, complaint and/or compliment will be listened to and properly responded to following the company's open door policy procedures. RFG Oil, Inc employees will not be discriminated or retaliated against for bringing a question or complaint concerning any matter relating to wages, hours or working conditions (including discipline and performance reviews) or the interpretation of any of the provisions in this handbook to the company's attention.

All employees are encouraged to seek help with job-related concerns through internal sources. The first step in seeking assistance should be to request a meeting with your supervisor or, if necessary, a more senior manager in your chain of command. RFG Oil, Inc also provides an Employee toll-free line @ 877-201-6821 for employees who wish to remain anonymous.

Every effort will be made to resolve employee concerns in a timely and satisfactory manner.

# **EMPLOYMENT OF RELATIVES**

Current employees who are married to, live with, or become married to, or begin living with other employees may retain their positions in the Company as long as their relationship does not jeopardize Company security, confidentiality, or other employees' morale. If the Company determines that a relationship is having a negative impact on the Company's operation, the individuals may be asked to decide who will voluntarily seek other employment.

Applicants who are related to employees by blood, adoption, or marriage may be employed as long as the direct supervision is different from that of the employee, and as long as their relationship does not create a negative impact on the Company's operation. Applicants related to employees working in departments where confidential employee information is maintained may not be employed anywhere in the company.

In all cases, decisions regarding the employment of relatives will be made jointly by senior management and the Human Resources Department, or designee.

# **COMPANY PROPERTY**

### **EMPLOYER PROPERTY**

Lockers, desks, computers, vehicles and other company-owned items are RFG Oil, Inc. property and must be maintained according to Company rules and regulations. They must be kept clean and are to be used only for work-related purposes. RFG Oil, Inc. reserves the right to inspect all Company property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence.

Company voice mail and/or electronic mail (e-mail) are to be used for business purposes only. The Company reserves the right to monitor voice mail messages and e-mail messages to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

RFG Oil, Inc. may periodically need to assign and/or change "passwords" and personal codes for computer and telephone networks, and the Internet and company email. These communication technologies and related storage media and databases are to be used only for RFG Oil, Inc. business and they remain the property of the company. RFG Oil, Inc. reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system.

Prior authorization must be obtained before any Company property may be removed from the premises.

# **CELL PHONES**

#### **Personal Cell Phones**

Employee should not be using personal cell phones unless for Family Emergency ONLY.

Since personal cell phones usage while working could cause disruptions or loss in productivity. It could also lead to an accident, injury, the employee may become subject to disciplinary action per company policy.

#### Prohibiting Personal Use of Company Cell Phone

Employees who are provided a Company cell phone may use the phone for personal reasons only in case of an emergency. Other personal use is prohibited.

#### Prohibited Use of Company Cell Phone While Driving

In the interest of the safety of our employees and other drivers, RFG OIL, INC. employees are prohibited from using cell phones while driving on Company business and/or Company time.

If your job requires that you keep your cell phone turned on while you are driving, you must use a hands-free device and safely pull off the road before conducting Company business. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on Company business and/or Company time. *Violating this policy is a violation of the law beginning July 1, 2008.* 

#### Prohibited Use of Company Cell Phone While Driving for Employees Under 18

Beginning July 1, 2008, a person under the age of 18 years is prohibited from driving a motor vehicle while using a wireless telephone, even if equipped with a hands-free device, or while using a mobile service device. The prohibition would not apply to such a person using a wireless telephone or a mobile service device for emergency purposes. *Violating this policy is a violation of the law beginning July 1, 2008.* 

# **GUESTS AND VISITORS**

The safety and security of RFG Oil, Inc employees, equipment, and records is most important. For this reason, RFG OIL, INC does not allow visitors in the Service Center unless approved by a manager or supervisor. All non-employees are denied access to company property except for the express reason of conducting business pertinent to the operations of the company.

# ELECTRONIC INFORMATION SECURITY AND APPROPRIATE USE POLICY

RFG Oil, Inc's information systems – including electronic mail, Internet access, databases, computing hardware and software, telephones, facsimile machines and any other means of communication or information storage – are assets of RFG Oil, Inc and shall be protected from unauthorized use, access, disclosure, destruction, modification or loss, whether accidental or intentional. These systems and equipment may be used only for appropriate RFG Oil, Inc business purposes or for infrequent, brief and appropriate personal communications.

#### Prohibited Uses of RFG Oil, Inc Information Systems and Equipment

Prohibited uses of RFG OIL, INC information systems and equipment include but are not limited to the following:

- 1. Users cannot access, store, download or disseminate any material that is offensive, harassing, fraudulent, defamatory, threatening, sexual, or in which illegal information may be contained. RFG Oil, Inc has tools that track and monitor such activity.
- 2. Users cannot access the network to disseminate junk email, including "chain letters" or bulk mailings.
- 3. Confidential or proprietary information should not be sent outside of the company or provided to those without a business need, unless disclosure of such information has been authorized and is appropriately protected.
- 4. The system may not be used to impersonate others, "hack" into anyone's file or system, or disrupt orderly operation of RFG Oil, Inc business.
- 5. Unauthorized downloading, dissemination or printing of copyrighted material, including software programs, is prohibited.
- 6. Communication or conduct that disparages RFG Oil, Inc.
- 7. Impairing or bypassing the security controls designed to protect RFG Oil, Inc information systems or equipment.
- 8. RFG Oil, Inc also prohibits the distribution or any confidential or proprietary information using unsecured communications systems or equipment including but not limited to cellular or mobile telephone or the Internet.

This policy applies to all employees and to anyone else who uses company information systems and equipment, including contractors, customers, and vendors. All employees and nonemployees must protect and preserve RFG Oil, Inc's information assets to which they have access or for which they are responsible, and ensure that the information assets are used only for the direct benefit of RFG Oil, Inc. Any employee who violates this policy will be subject to discipline up to and including termination.

# **ELECTRONIC INFORMATION SECURITY AND APPROPRIATE USE POLICY** (continued)

All information created communicated, received, or stored on RFG Oil, Inc's information systems and equipment is the property of RFG Oil, Inc. If you use the company's information systems and equipment, you waive any claim to privacy. RFG Oil, Inc reserves the right to access, inspect, retrieve, and disclose for appropriate business purposes any and all information created, communicated, received, or stored on its information systems or equipment, in compliance with applicable law. Such appropriate business purposes include but are not limited to:

- Finding lost information.
- A performing job duty of an employee who is absent from work or is unavailable.
- Evaluating the effectiveness of RFG Oil, Inc's information systems or equipment.
- Investigating suspected criminal acts or breaches or security.
- Investigating suspected or potential violations of company policies, including but not limited to this Electronic Information Security and Appropriate Use Policy.
- Repairing or recovering from failures of RFG Oil, Inc's information systems or equipment. Responding to inquiries or court orders.
- Monitoring compliance with the Appropriate Use Policy and other policies.

#### **Electronic Mail**

Electronic Mail is an important and sensitive business tool. Employees may use electronic mail to facilitate their communication within RFG Oil, Inc and with business partners or customers. This Electronic Information Security and Appropriate Use Policy expressly apply to electronic mail created, received, communicated, or stored on RFG Oil, Inc's information systems or equipment. Thus, all electronic mail messages, business and personal, sent or received on or through RFG Oil, Inc's systems or equipment are the property of RFG Oil, Inc and the content of all messages must be suitable for RFG Oil, Inc business environment.

### SOLICITATION AND DISTRIBUTION OF LITERATURE

RFG Oil, Inc is a service-oriented Company. When business operations are unnecessarily interrupted by non-work related activities, customer service may suffer. For this reason, no solicitation or distributions of any type are permitted during work time. Distribution of literature or other printed matter of any kind in any working area of the store is also prohibited. Solicitation of work on or to customer's property is prohibited.

#### RECRUITMENT

It is against RFG Oil, Inc policy for an employee to recruit or solicit other employees to obtain employment for any other company.

#### HOUSEKEEPING

All employees are responsible for ensuring a clean, safe working environment. Please treat the furniture and equipment as you would your own.

If there is a non-emergency maintenance need, please inform your Service Center Manager and District Manager.

Remember items needing repair cannot be fixed unless they are brought to someone's attention.

### **SMOKING**

For safety reasons, smoking is not permitted in any areas of the service center. RFG OIL, INC. is a smokefree work environment. Please observe the no smoking restrictions at all times when working. Smoking in prohibited areas may be grounds for immediate termination.

It is the policy of RFG OIL, INC. to comply with all applicable federal, state, and local regulations regarding smoking in the workplace and to provide a work environment that promotes productivity and the wellbeing of its employees. When smoking you must be 100 ft from the base.

- The Company recognizes that smoking in the workplace can adversely affect employees. Accordingly, smoking is restricted at all of its facilities.
- Smoking is prohibited inside all RFG OIL, INC. facilities except for areas where it is specifically authorized. The smoking policy applies to employees during working time and to customers and visitors while on the Company's premises.
- Employees are expected to exercise common courtesy and to respect the needs and sensitivities of coworkers with regard to the smoking policy. Smokers have a special obligation to keep smoking areas litter-free and not to abuse break and work rules. Complaints about smoking issues should be resolved at the lowest level possible but may be referred to Upper Management.
- The Company does not discriminate against individuals on the basis of their use of legal products, such as tobacco, if the use occurs during nonworking time and off of the Company's premises.

#### Nondiscrimination

What the employee does outside of working hours and off RFG OIL, INC's premises will not be the basis of any disciplinary action by RFG OIL, INC. Nor will RFG OIL, INC pursue a policy of discharging employees or refusing to hire applicants because they are smokers.

# **EMPLOYEE CONDUCT**

# **DRUGS AND ALCOHOL**

RFG Oil, Inc. is committed to take all reasonable steps to establish and maintain a safe, healthy, and efficient work environment for all employees and customers. Recognizing that alcohol and drug abuse affect an employee's health and work performance, RFG OIL, INC has established guidelines regarding alcohol and drug use in the workplace. Some key provisions of the guidelines include:

- No drugs or controlled substance while on company business or while on company property.
- No person shall work or report to work or enter company property under the influence of alcohol or an illegal drug(s). No alcoholic beverage may be brought onto or consumed on company property except as may be authorized by the company.
- If the company has reasonable cause to believe that an employee's ability to do the job is being impaired by suspected alcohol or drug use, the company may require the employee to submit to a drug/alcohol test.

Violation of these rules and/or refusal to submit to a reasonable cause test may result in corrective action up to and including termination. RFG OIL, INC reserves the right to search all company property to ensure compliance with the above provisions.



# Position statement on drugs and alcohol in the workplace for RFG Oil, Inc. Employees Purpose

RFG OIL, INC is committed to taking steps to establish and maintain a safe, healthy and efficient workplace for all employees and customers. The state of one employee's health affects his or her work performance and possibly the work performance of co-workers.

These procedures have been developed to:

Establish a company-wide set of procedures to address employee drug and alcohol use. Ensure maximum safety, reduce the risk of accidental, on-the-job injury and encourage the reduction of absenteeism, tardiness and poor job performance. Promote a drug- and alcohol-free workplace.

#### Position

During working hours, RFG OIL, INC does not allow employees to be under the influence of illegal drugs, including abuse of prescribed drugs. Nor does RFG OIL, INC allow the sale, purchase, transfer, use or possession of any illegal drug. This is true of employees on company business or while on company property, including company-owned or company-leased vehicles. You may not work or report to work under the influence or enter company property under the influence of an illegal drug.

RFG OIL, INC also does not allow alcohol to be brought into work or consumed on company premises, including company-owned or company-leased vehicles, except as may be permitted by the company. You cannot work or report to work under the influence of alcohol.

If RFG OIL, INC has reasonable cause to believe an employee is in violation of our position on drugs and alcohol in the workplace, the company may require that employee to submit to a drug or alcohol test. If an employee is involved in a work related accident or any accident with a company vehicle, RFG OIL, INC may also require the employee to submit to drug and alcohol testing. Under these circumstances, an employee would normally be driven to and from the testing site.

If any employee does not adhere to these rules and instructions, or if any employee does not submit to a drug/alcohol test and/or if an employee receives a positive test result, he or she will be violating company rules and instructions and may be disciplined up to and including termination.

#### Definitions

Alcohol or alcoholic beverage: Any beverage that contains more than .5% alcohol.

Illegal Drugs: Any controlled substance that has no medical use under the circumstances in question;

any legal drugs which have been attained illegally; any prescription drugs not prescribed for the employee in question; any prescription drug taken in excess of recommended dosage.

Reasonable Cause: Observed problems in an employee's ability to perform his or her job in a safe, efficient, or satisfactory manner. "Problems" include performance deficiencies, physical symptoms or other overt evidence, including possession of drugs at work that impede the quality of the employee's work.

Ability to do the job: Being physically and mentally capable of interacting with the work environment in a responsible and effective manner, conducting work related duties and responsibilities, including equipment operation, with good judgment and efficiency, without endangering the immediate or long term safety and health of employee's and business relationships.

I have read this position statement on drugs and alcohol in the workplace. I have been given an opportunity to ask questions about the position statement and I understand it. I understand that by continuing my employment at RFG OIL, INC, I am consenting to drug and alcohol testing under this position statement.

Print	Name
	Nume

Signature

Date

## **RFG Oil Cash Handling Practices**

**Depositing:** Deposits of cash are to be made each night directly after closing. The closing PIC will need to take the deposit directly to the nearest bank and return directly to the service center with the corresponding ATM receipt. The deposit and cash drawer should be counted and verified with a second party to verify integrity and accuracy. The Manager is responsible for ensuring that whoever is responsible for making the deposit each night has the correct ATM card and is able to make the deposit. In the event that the ATM is not working, the employee making the deposit will proceed to the next closest ATM and make the deposit.

**Cash Handling:** Each morning, the opening Manager is required to verify that the register has the correct amount of money retained. The Manager is to verify that the deposit was made and that the receipt was returned to the service center and logged appropriately. The Manager will verify that the Petty Cash was reconciled and faxed appropriately. The Manager will complete the Cash Summary located at the bottom of the Weekly Checklist, verifying that the cash variance was within the acceptable variance, +/- \$.10 per \$100 in Cash Sales.

**Petty Cash:** Petty Cash is to be reconciled each night and faxed to the office. Petty Cash is to contain the original receipt of purchase, the invoice for which the part was billed (when necessary), and the Receipt of Material for the part that was billed consisted with the Valvoline invoice (when necessary). Note- it is important to verify the receipt of any Petty Cash faxed, as well, due to high volumes of faxes, it is a best practice to set a time to fax the Petty Cash in within the last hour of operation. Any missing Petty Cash is treated as cash shortage for which the Manager in charge is directly responsible.

## <u>A violation of any aspects of this policy will result in disciplinary action up to and including</u> possible termination of employment.

## **CONDUCTING PERSONAL BUSINESS**

Employees are not to engage in other employment activities while on duty. Conducting personal business or otherwise performing other employment activities while on duty is prohibited.

### **OUTSIDE EMPLOYMENT**

Employees who wish to secure employment in addition to their RFG OIL, INC job should notify their supervisor in advance.

Outside employment must not conflict with or adversely affect an employee's work schedule or job performance. Company policy prohibits other employment with a company that is in the same business as RFG Oil, Inc. or that is in any way a competitor of RFG Oil, Inc. RFG Oil work requirements, including

overtime, should take precedence over outside employment. Violation of this policy may result in disciplinary action, up to an including termination of employment.

## DRESS CODE/PERSONAL STANDARDS

All RFG Oil, Inc. employees are required to wear clean uniforms daily. Each employee should sign a uniform agreement making themselves accountable for their issued uniforms. The uniforms are rented and paid for by the company and must be returned upon termination of employment. If not returned, the employee may have the cost of the non-returned uniforms deducted from his/her final paycheck.

Employee uniforms consist of:

- 1. Company issued uniform shirts and pants
- 2. Belt with buckle to side or Velcro closure
- 3. Leather shoes or boots with oil-proof soles (no tennis shoes)
- 4. Hats are optional but must be clean and issued from RFG Oil, Inc.

All items listed above, with the exception of the uniform shirts and pants, must be furnished by the employee. Employees have the option of furnishing their own uniforms. The tool pouch is also optional. It is highly recommended but not required. For new employees, a shoe voucher program is available to assist in the purchase of work shoes. Your supervisor should be contacted for further information.

A professional image is important in a customer service business such as RFG OIL, INC. All employees are expected to adhere to the following standards:

Guidelines for all Service Center Employees

- 1. <u>Hands & Nails</u>: Hands must be clean. Nails must be clean and neatly trimmed. False nails and long fingernails on female employees are not permitted while on duty. Female employees may wear nail polish in good taste.
- <u>Face</u>: The face should be free of any jewelry. RFG Oil, Inc employees are not allowed to wear rings, posts, hoops or studs in pierced lips, tongues, eyebrows, cheeks, nose or any other facial area. Make-up, worn by female employees, should be modest and in good taste.
- 3. <u>Body</u>: Personal hygiene is very important. The use of deodorant (or similar type of antiperspirant item) is required. Cologne, after-shave and/or perfume must be used sparingly. In addition, tattoos should be covered while on duty.
- 4. <u>Jewelry</u>: Tasteful and minimal. Only female employees are allowed to wear professional, tasteful earrings. No other visible pierced jewelry will be appropriate.
- 5. <u>Hair</u>: Hair for both men and women; a neatly styled, conservative cut and color are acceptable. For men, hair should be well groomed and tapered on the sides and back. Ponytails are acceptable as long as they follow the guidelines above. Conservative mustaches, beards and sideburns must be neatly maintained. Razor stubble is not allowed.
- 6. <u>Shoes</u>: Shoes should be in good taste and comfortable. Shoes must be leather or boots with oilproof soles (no tennis shoes). Sandals or sport shoes are not allowed.
- 7. <u>Belt</u>: A belt, if needed, must be black and must match the shoe color.

8. <u>Shirts</u>: Shirts must be tucked-in, buttoned completely, clean and pressed. No other brand or logo apparel may be worn. If a long-sleeved shirt is worn under a short-sleeved shirt, it too must be dark blue or black in color.

These guidelines help guests easily recognize RFG Oil, Inc employees and leave with a valuable first impression for our guests. You will be advised if, in management's judgment, your appearance is not in keeping with RFG Oil, Inc standards. You may be asked to go home on your own and correct your appearance if your supervisor deems it necessary or appropriate. Refusal to comply with RFG Oil, Inc's dress and appearance standards is grounds for termination.

Guidelines for Pregnant Employees:

Any pregnant employee has the option to untuck the company-approved shirt or wear a maternity top that meets the color and fabric guidelines.

Guidelines for Area Managers/District Managers/Director of Operations/Office Staff/Administration:

- Clean, pressed, properly fitting business casual attire is appropriate.
- Hair should be clean, combed and neatly trimmed or arranged. Shaggy, unkempt hair is not permissible.
- Sideburns, moustaches, and beards should be neatly trimmed.
- Good personal hygiene must be maintained.
- Use of perfume or cologne should be minimal because some customers or colleagues may be sensitive to various scents.

The following are some examples of inappropriate dress at all times:

- Faded and/or tattered/torn jeans; t-shirts displaying advertising or writing
- Faded overalls, cotton/fleece pants and jogging suits, shorts, tank tops or recreational attire
- Clothing with spaghetti straps; clothing revealing bare backs, midriffs or shoulders; or any revealing or provocative clothing.

Casual Days: The Company has designated Fridays as casual days. Some clothing is still deemed inappropriate even on casual days. Employees are cautioned to use good sense when "dressing down."

Inclement Weather Days: The Company understands that inclement weather conditions can require different attire for the day. Use good judgment when dressing for weather conditions.

The supervisor is responsible for evaluating the dress and appearance of employees under his or her supervision. If an employee is not dressed appropriately, the supervisor should take the following steps:

 On the first occasion, a documented verbal counseling should be given to the employee. If the supervisor deems it necessary, the employee may be sent home to change into appropriate clothing. • On the second occasion, the employee should be sent home to change clothes immediately as well as given a written warning. Further violations may result in discipline up to and including discharge.



## **BUSINESS & ETHICS CODE OF CONDUCT**

At RFG Oil Inc., we value our strong sense of ethics. Because the actions of each of us reflect upon the whole, Company business must be performed according to the highest ethical standards. The Business and Ethics Code of Conduct is designed to serve as a guideline to expected conduct.

Our accomplishments will be measured not only by the goals we achieve, but also by the means by which such achievements are attained. Each employee is responsible for reading the Business & Ethics Code of Conduct carefully, integrating its principles into your daily business activities, complying with its business practices and reporting possible violations. RFG Oil Inc., has established an Employee Hotline number (877) 201-6821 where you can call to report concerns about conflicts of interest, insider trading of stock, disclosure of confidential information, safety issues, fraud or other practices which might be wrongful and/or improper. The principles set forth in the Business & Ethics Code of Conduct are vitally important to us at RFG Oil, Inc.

## **BUSINESS & ETHICS CODE OF CONDUCT**

### INTRODUCTION

It is a long-standing policy of RFG Oil Inc. to observe all of the laws that apply to its business. The commitment does not stop here. Even where the law is permissive, RFG Oil, Inc. chooses the course of the highest integrity.

RFG Oil Inc. has adopted this Business & Ethics Code of Conduct for the guidance of its directors, officers, and employees. It is RFG Oil, Inc.'s formal statement of its rules and standards of ethical conduct. While it is not possible to list all policies, laws, conflicts of interest or prohibited business practices, if you find yourself in a situation the Code does not specifically cover, rely on its overall philosophy of the highest ethical standards and full compliance with the law.

### **BUSINESS ETHICS**

RFG Oil, Inc. is committed to the ethical treatment of those we deal with.

For our employees: We are committed to providing a safe, healthy and fun work environment, where management is honest and just, and all partners are treated with respect.

For our guest: We are committed to offering quality products and services, having them available on a timely basis, and providing excellent customer service, all at a fair and competitive price.

For the communities in which we live and work: We are committed to acting as concerned, involved, and responsible neighbors, reflecting all aspects of good corporate citizenship.

For our vendor and supplies: We are committed to fair competition and the sense of responsibility required for a good corporate citizen. We expect our vendors and suppliers to maintain a high level of integrity that is compatible with our own company philosophy.

## **OBEYING THE LAW**

RFG Oil, Inc. will conduct its business in accordance with an in the spirit of all applicable laws and regulations in an ethical manner. The standards in this code are a general guide to our business practices and regulatory compliance and include guidance in the following areas: (1) breaching confidences or sharing proprietary information; (2) conflicts of interest; (3) insider trading; (4) abuse of company or service center assets; (5) dishonesty or unfairness; (6) failing to report inappropriate conduct you become aware of; and (7) bias against protected classes of people, such as minority groups or those of a particular religion.



### **PROMOTING A POSITIVE ENVIRONMENT**

RFG Oil, Inc. promotes a positive work place where employees feel respected and treated equally, Harassment and discrimination of any kind involving race, color, religion, gender, age, national origin, disability, sexual orientation, veteran status, marital status or any other class protected by law is unacceptable in our work place. While everyone who works for RFG Oil, Inc. must contribute to the creations and maintenance of this environment, our executives and management personnel assume special responsibility for foresting a work environment that will bring out the best in all of us.

### PROTECTING YOURSELF AND YOUR FELLOW EMPLOYEES

RFG Oil, Inc. is committed to providing a drug-and-alcohol-free, safe, and healthy work environment. Each of us is responsible for compliance with environmental, health, and safety laws and regulations. Observe posted warnings and regulations. Immediately report any accident or injury sustained on the job, any environmental or safety concern to the appropriate management personnel.

### FRAUD

Engaging in fraudulent conduct, either directly or indirectly, is prohibited. Examples of fraudulent conduct include: (1) forgery or alteration of checks or any other financial document; (2) misappropriation of funds or other assets; (3) impropriety in handling money or reporting financial transactions; (4) submitting false expense or reimbursement reports; (5) theft or dishonesty; and (6) destruction or disappearance of records, furniture, merchandise, cash, or equipment.

### **POLITICAL ACTIVITIES**

All RFG Oil, Inc. employees are encouraged to make informed choices as to their participation and contribution to political organizations or campaigns. Participation and contribution must be done personally, however, and on personal time, off RFG Oil, Inc. premises, with personal funds and in the employee's own name. Employee may not represent themselves as acting on behalf of or speaking for RFG Oil, Inc. without permission from the President. Employees may take time off from work to vote in elections in compliance with applicable laws.

RFG Oil, Inc. has a right to political expression on issues and may express itself through contribution to campaigns or referenda that do not involve the election of candidates. It is against the law to use RFG Oil, Inc. money in connection with federal elections, and there are restrictions on activities in state elections.

RFG Oil, Inc. may also form and administer political action committees (PACs) for the purpose of encouraging employee contribution to political campaigns. Such PACs are permitted for both federal and state political activities. Employee contributions to PACs, however, must be personal. No direct or indirect pressure in any should be directed towards employees to make any political contributions or participate in the support of a political party or the political candidacy of any individual.

### **CONFLICTS OF INTEREST**

It is critical to avoid situations where your personal interests could conflict, or reasonably appear to conflict, with the interests of RFG Oil, Inc. Avoid any relationship, influence, or activity that might impair, or even appear to impair your ability to make objective and fair decisions when performing your job. When in doubt, share the facts of the situation with your supervisor. Conflicts of interest could arise in the following situations:

- Employment by a competitor or potential competitor, regardless of the nature of the employment, while employed by RFG Oil, Inc.
- Acceptance of gifts, payment, or services from those seeking to do business with RFG Oil, Inc.
- Using employment with RFG Oil, Inc. to recruit other employees to any other company.
- Resale of RFG Oil, Inc. products by employees for personal gain.
- Placement of business with a firm owned by or controlled by a member of an employee's family.
- Ownership of, or substantial interest in, a competitor or a supplier to RFG Oil, Inc.
- Acting as a consultant, director, officer, or employees to a RFG Oil, Inc. supplier or competitor.

### COMPANY OPPORTUNITIES

Employees, officers and directors owe a duty to RFG Oil, Inc. to advance its legitimate interests when opportunities arise. Employees, officers and directors are therefore prohibited from the following:

- Taking for themselves personally opportunities that are discovered through the use of company property, information or position;
- Using company property, information or position for personal gain; and
- Competing with RFG Oil, Inc.

### **PRODUCT SAFETY**

Selling safe products help RFG Oil, Inc. meet its legal obligations and its commitment to satisfying guests.

### **PROPRIETARY INFORMATION**

"Proprietary information" means information which belongs to RFG Oil, Inc. which RFG Oil, Inc. has a right to protect. It includes any information which is not generally disclosed and which is useful to RFG Oil, Inc. or would be helpful to competitors. Examples of proprietary information include: (1) financial data; (2) trends and experience data; (3) sales figures; (4) planned new projects; (5) planned new advertising programs; (6) areas where RFG Oil, Inc. intends to expand; (7) list of suppliers; (8) lists of guests; (9) wage and salary data; (10) capital investment plan; (11) projected earnings; (12) changes in management or policies of RFG Oil, Inc.

Proprietary information may not be disclosed to anyone without proper prior written authorization directly from the President. All employees must keep proprietary documents protected and secure. Information that is provided to you or to which you have access is to be used only in performing your duties for RFG Oil, Inc. In the course of normal business activities, suppliers, guests, and competitors may sometimes divulge to you information that is proprietary or confidential to their business. Respect these confidences.

You may not store confidential, proprietary information outside RFG Oil, Inc. Examples include actual reports, copies of reports and any form of written summary.

### **RFG Oil, Inc. ASSETS**

The term "RFG Oil, Inc. assets" includes ideas, strategies, plans, financial data, equipment (e.g., computers and owned or leased vehicles), supplies, money, and intellectual property of RFG Oil, Inc. These assets should only be used for valid purposes that benefit RFG Oil, Inc. Use and maintain these assets with the upmost care and respect, guarding against waste and abuse. Be cost-conscious and alert to opportunities for improving performance and efficiency while reducing costs. The use of company time, material, or facilities for purposes not directly related to RFG Oil, Inc. business, or removal or borrowing of company or store property without permission is prohibited. If an asset that is no longer needed is sold to an employee, the sale must be approved by the President (not the employee) and supported by a receipt or bill of sale.

### INTELLECTUAL PROPERTY

Trademarks, including logos, must always be used exactly as they are registered or, in the case of non-registered marks, as established by RFG Oil, Inc. custom. Proper usage of such trademarks includes correct spelling and grammatical use and proper use of registration symbols.

Unauthorized use of marks or intellectual property in which RFG Oil, Inc. has established rights is prohibited. Unauthorized use of intellectual property in which other companies or individuals have protectable rights is also prohibited. The employee will cooperate with RFG Oil, Inc. ownership of all such intellectual property.

### RECORDS

RFG Oil, Inc. records and files are kept and discarded according to the Record Retention Policy for RFG Oil, Inc., not at the discretion of individual departments or stores, A number of state and federal laws and regulations require that records dealing with taxes, employment, health and safety, environment, contracts, financial and audit records and company actions be kept for various lengths of time. In addition, records relating to a lawsuit or government audit must be kept at least until the matter is closed. If you have any questions regarding the retention or destruction of documents, you should contact your District Manager.

### COMPLIANCE WITH THE BUSINESS AND ETHICS CODE

You are urged to use Employee Hotline as a resource whenever you have questions or concerns that are not or cannot be readily addressed within your work group. You may contact the Employee Hotline at (877) 201-6821. We will handle all inquiries discreetly and make every effort to maintain, within the limits allowed by the law, the confidentially of anyone requesting guidance or reporting questionable behavior or a possible violation of the Code. Your message to the extent possible will be kept on the strictest confidence, and you will not be punished or penalized for a good faith report of a suspected violation of the Code. Retaliation or reprisal against anyone making a good-faith report of a violation of the Code is itself a violation of the Code and will not be tolerated.

### ACCOUNTABILITY FOR VIOLATIONS

If you violate any of the policies and guidelines of RFG Oil, Inc., or if you knowingly permit a violation, you may be subject to dismissal or appropriate disciplinary action, including reimbursement of any loss to RFG Oil, Inc. that results from your actions.

## CONFIDENTIALITY

As an employee of RFG Oil, Inc, you may have access to confidential information, which includes customer data, salary information, and company trade secrets that allow the company to compete in the marketplace. Employees who fail to protect confidential information from unwarranted disclosures may be subject to disciplinary action up to and including termination. Additionally, the company my take legal action against an employee or former employee who releases such information as described above.

## **Confidentiality Agreement**

I, the undersigned employee, understand that in the course of my employment with RFG Oil, Inc, I may have access to and become acquainted with information of a confidential, proprietary or secret nature which is or may be either applicable or related to the present or future business of the Company, its research and development, or the business of its customers. Such trade secret information includes, but is not limited to, devices, inventions, processes, compilations of information, records, specifications and information concerning customers and/or vendors.

I agree that I will not disclose any of the above mentioned trade secrets, directly or indirectly, or use them in any way, either during the term of my employment or at any time thereafter, except as required in the course of my employment with the Company.

I further understand that I am an at-will employee of this Company and that this agreement is not to be construed as constituting a promise of continued employment.

Name of Employee

Signature

Date



## **NEWS MEDIA CONTACTS**

Any media inquiries received by RFG Oil, Inc employees should be referred immediately to a District Manager and the Director of Operations. An appropriate response to the media would be, "I'm sorry I don't have the full information regarding that issue. I will give your request to my District Manager who will respond to you as soon as he/she is available. "Please obtain the reporter's name, phone number (cell too if "in the field"), topic of story and deadline.

Contact Director of Operations, Rob Bell at 858-273-8539.

## PAYROLL

## **ALTERNATIVE WORKWEEK**

RFG Oil, Inc. employees have adopted an Alternative Workweek Schedule which states that any hours worked over 40 hours in a workweek will be paid at a rate of time and a half. The workweek will begin on Sunday 12:01am and end on Saturday at 11:59pm.

Overtime may not be carried forward or backward to a different week. Make-up time is available and must be made up within the same workweek. Employees will be able to request time off for personal obligations within reason, and make up the time without the employer having to pay overtime.

## **PAYDAY**

Employees are paid semi-monthly. Wages earned between the 1<sup>st</sup> and 15<sup>th</sup> days, inclusive, of any calendar month will be paid no later than the 26<sup>th</sup> day of the month. Wages earned between the 16<sup>th</sup> and the last day of the month will be paid by the 10th day of the following month. Paychecks will be mailed to the Service Center by 5pm on the Scheduled Pay Day. If you have any questions regarding your paycheck or how pay periods are structured, contact your Supervisor.

## **WORKING HOURS**

Store hours are 8:00am to 7:00 pm Monday through Friday, 8:00 am to 6:00 pm on Saturday and 9:00 am to 5:00 pm on Sunday. Store hours are subject to change at the discretion of the Director of Operations and/or the President.

Work hours may vary. Employees are expected to be at work on time and in uniform according to their scheduled hours. Lunch breaks will be coordinated by the Service Center Manager.

A half-hour meal break is provided for every work period of more than five hours, unless six hours of work will complete the day's work.

Rest breaks will be provided at the rate of 10 consecutive minutes for each four hours work with pay.

## **EMPLOYMENT CLASSIFICATION**

The following terms will be used to describe the classification of employees and their employment status with RFG Oil, Inc.

### 1. Hourly Non-Exempt

Employees who work in jobs classified as hourly non-exempt.

Hourly employees are paid for actual hours worked. They are also paid overtime wages (time and onehalf of their regular rates) for all hours worked over 40 in a work week, unless otherwise required by state law. "Hours worked" for purposes of computing eligibility for overtime pay are only hours actually worked during that work week. Paid time spent away from the job because of job-related injury, paid holiday, jury duty, paid vacation time, or paid sick time, are not worked and are not counted toward overtime calculation.

Please refer to your "Payday Notice" for pay periods. Payday Notice is distributed at the beginning of the year, and posted at all Service Centers. Please contact The Personnel Dept. at 858-490-3920 for copies.

### 2. Salaried Exempt

Employees who work in jobs classified as salaried exempt, i.e. jobs that meet specific tests established by the Fair Labor Standards Act (FLSA) and applicable state law.

Salaried exempt employees are exempt from overtime pay requirements. Salaried exempt employees are expected to observe a 50 hour minimum workweek and work the extra hours needed to complete assignments.

### 3. <u>Regular Full-Time</u>

Employees regularly scheduled to work 37.5 hours or more per week. Hourly full-time employees pay by the hour, are eligible for overtime wages. Salaried full-time employees are not eligible for overtime wages. Overtime is not allowed unless approved by your District Manager. No one at RFG Inc. can guarantee overtime to any employee.

Regular full-time employees are eligible to participate in company benefit programs including health insurance plans, paid holidays, paid vacations and sick leave.

## LOST PAYROLL CHECKS

The Service Center Manager should report lost payroll checks to the payroll specialist. The payroll specialist will research and resolve the situation.

The payroll specialist will stop payment on the last check, once it has been reported.

If the paycheck was lost or destroyed after the employee received the paycheck, the payroll department will charge the employee a stop payment fee of \$25. If the paycheck did not arrive at the store or was not yet in the employee's possession, no stop payment fee will be charged.

### Replacing Lost Payroll Checks:

- 1. The lost paycheck should be reported to the Service Center Manager.
- 2. The SCM will call the payroll specialist at 858-490-3920.
- 3. The payroll specialist will stop payment on the lost/damaged check.
- 4. A new check will be issued to the employee and the paycheck will be sent to the Service Center. Please contact your payroll department regarding the waiting period.

Contact Info: Payroll Department (858) 490-3920

## **PROMOTIONAL PAY**

RFG Oil, Inc. established the following guidelines for all promotional pay adjustments. These guidelines are effective as of January 1, 2008.

Proper documentation and authorization is required when processing a pay increase for an employee. The following review what you need to increase when processing a promotional increase.

- Complete a Payroll Information Form
  Fill in all necessary information including the effective date, title, and increase amount of the
   promotion. Include all appropriate signatures.
- 2. Submit to your immediate supervisor for approval

The District Manager must recommend all promotional pay increases, and must be approved by the Director of Operations. Any pay increases submitted after the pay period will be in effect the following pay period.

Payroll Information Forms sent to payroll without the appropriate approval will not be processed.

## **PAY PERIODS & OVERTIME**

RFG OIL, INC. pays every minute an employee works. It is prohibited for any employee to clock in prior to his/her scheduled shift or clock out after his/her posted time to leave without service center Manager's direct consent. Employees are paid semi-monthly. Wages earned between the 1<sup>st</sup> and 15<sup>th</sup> days, inclusive, of any calendar month will be paid no later than the 26<sup>th</sup> day of the month. Wages earned between the 16<sup>th</sup> and the last day of the month will be paid by the 10th day of the following month. Paychecks will be mailed to the Service Center by 5pm on the Scheduled Pay Day. It is the responsibility of the Service Center Manager to distribute paychecks.

Paychecks will be distributed by your supervisor and will reflect compensation for the previous pay period, less any required and requested payroll deductions. No paycheck is to be given to anyone other than the employee. Under unusual circumstances, you will be responsible for giving written permission to your supervisor in order for someone else to pick up your paycheck. This person may be asked to provide proper identification or sign for the paycheck.

RFG Oil, Inc. will not provide advances against your paycheck. OVERTIME:

- Overtime will be paid to all non-exempt (hourly) employees as required by law. Any overtime must be preauthorized by your District Manager. Overtime hours will be paid at one and one-half times the regular hourly rate of pay or as required by law.
- All overtime incurred by borrowed non-exempt (hourly) employee will be charged to the borrowing service center.

Overtime rules may vary by state.

## **MEAL & REST PERIODS**

It is the policy of RFG Oil, Inc to ensure all non-exempt employees are provided with meal and rest periods.

No employee shall work for a period of more than five (5) hours without an unpaid meal period of at least 30 minutes, unless six (6) hours of work complete the days' shift.

A 10-minute, paid rest period must be taken approximately halfway through any work period of 3 and ½ hours or more.

If employees choose to stay on the premises during their meal period, the following locations are available to ensure they are relieved of all work during their 30-minute meal period: Employee lounge or office.

Per state laws, any employee who works more than 5 hours must take a thirty (30) minute break. You will be instructed to clock out and clock in from break, any employee who does not do so will receive a Disciplinary Action Notice.

### **EMPLOYEE TIMECARDS**

At RFG Oil Inc. the official work week begins on Sunday at the start of business and ends on Saturday at the end of business. Our pay periods are from the 1<sup>st</sup> of the month to the 15<sup>th</sup> of the month, and the 16<sup>th</sup> of the month to the last day of the month. All employees are required to sign their own timecards. All timecards must be reviewed by both the employee and the Service Center Manager. Once the timecard is reviewed at the end of the each pay period, it must be signed and submitted. Timecards will need to be submitted to the Main Office by no later than 12:00pm on the following day when the pay period ends (the 1<sup>st</sup> and the 16<sup>th</sup> of the month). Unsigned time cards will not be processed. Also, any employee that does not sign their timecard at the end of the pay period will receive a Disciplinary Action Notice. Any employee who receives 3 consecutive Disciplinary Action Notice's in a quarter will be suspended and up to and including termination.

## **GENERAL SAFETY AND FIRST AID**

RFG Oil, Inc. is committed to providing a safe work environment. Employees should report any safety problem involving the facility to the Service Center Manager and/or District Manager. For minor injuries, RFG Oil, Inc. provides first aid supplies in all Service Centers. Employees must report all injuries, no matter how minor, to the supervisor in charge at the time of the incident.

## WORKPLACE VIOLENCE

RFG Oil, Inc. has adopted the following workplace violence policy to ensure a safe working environment for all employees.

The Company has a zero tolerance for acts of violence and threats of violence. Without exception, acts and threats of violence are not permitted. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

Possession of non-work related weapons on Company premises and at Company-sponsored events shall constitute a threat of violence.

It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, each employee is expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent. You may report an incident to any supervisor or manager.

A threat includes, but is not limited to, any indication of intent to harm a person or damage Company property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally. The following are examples of threats and acts that shall be considered violent – this list is in no way all-inclusive:

Example	Type of Threat
Saying, "Do you want to see your next birthday?"	Indirect
Writing, "Employees who kill their supervisors have the right idea."	Indirect
Saying, "I'm going to punch your lights out."	Direct
Making a hitting motion or obscene gesture	Nonverbal
Displaying weapons	Extreme
Stalking or otherwise forcing undue attention on someone, whether romantic or hostile	Extreme
Taking actions likely to cause bodily harm or property damage	Acts of violence

#### EMPLOYEES WHO ARE REQUIRED TO DRIVE

Employees driving on company business are responsible for the health and safety both of themselves and others that may be affected by how they drive. Before undertaking any driving for or on behalf of the company employees must ensure that they:

- Are they fit to drive and legally qualified for the type of vehicle to be driven and the activities to be undertaken
- Have a relevant current license
- > Where necessary they satisfy the relevant insurance requirements (i.e. business cover)
- > Drive in a safe manner at all times by ensuring compliance with the Highway Code
- > Do not drive while under the influence of Alcohol or Drugs
- Inform their manager of any condition, for example, medication, ill health, deteriorating eyesight (not corrected by spectacles) that may affect their ability to drive safely
- Inform their manager of any driving situation that represents a serious risk to their health and safety, adverse weather conditions.
- > Inform the Director of Operations of any driving convictions they receive
- Use the vehicle and associated equipment in the correct way, carry out and record the appropriate vehicle checks
- Report all mechanical defects found
- > Report all accidents and incidents whilst driving at work as per company procedure
- > Inform the Director of Operations if they are injured while driving at work

Employees must inform their manager immediately if they are convicted of any offence or receive penalty points that may affect the decision to allow them to continue to drive on company business.

## **COMPANY ACTIVITIES OR EVENTS**

Regardless of event or location, any employee attending a RFG Oil, Inc sponsored event will be expected to adhere to all company policies and procedures. RFG Oil, Inc does not require "mandatory attendance" to any/all work activities or events (this does not apply to mandatory employee meetings). Refer any questions or concerns to your immediate supervisor.

### **SEPARATION**

The employment relationship with RFG Oil, Inc is "at-will" and can be terminated with or without cause at any time by either the employer or the partner.

## **VOLUNTARY RESIGNATION**

When the employee concludes the employment relationship, it is considered a resignation and a voluntary termination.

Job Abandonment is classified as a voluntary resignation.

- Failure to return from a leave on the date designated.
- Failure to call in or report to work for two consecutive shifts (2 no calls/no shows)

RFG Oil, Inc prefers that employees give two weeks' notice of resignation, though this is not required. Failure to provide a two week notice of resignation, or failure to fulfill a notice period given, will result in a designation of "non-rehirable," on the employee's separation paperwork. This indicates that the employee is not eligible for re-hire.

In addition, RFG Oil, Inc prefers to receive notice of resignation in writing. This should indicate date of resignation, reason for resignation, last day of work and signature. An employee may either provide a written notice of resignation or may complete the Resignation Form, which is available in every Service Center.

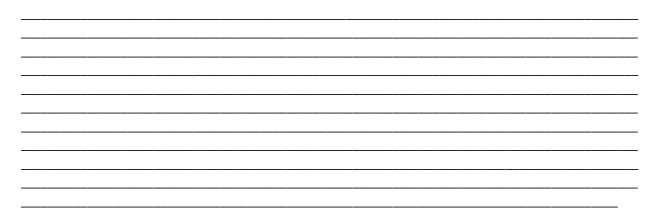
On the employees last day of employment, the supervisor must complete all required termination paperwork.

Please refer questions regarding termination paperwork to the payroll dept. at 858-273-8539.

## **VOLUNTARY RESIGNATION LETTER**

Date:		
Employee Name		
Employee Addre	ss:	
Employee Phone	#:	
To: RFG Oil, Inc.		Store#:
Store Location: _		
Effective	, l voluntar	ly resign my position as
	(date)	(title)
	Dissatisfied with pay.	Dissatisfied with Job Requirements/Type of Work.
	Dissatisfied with Hours.	Dissatisfied with Location.
	Relocation.	Dissatisfied with Promotional Opportunities.
	Retirement	Dissatisfied with Personal Appearance/ Dress Code
Requirements.		
	Returning to School.	Not returning from Leave of Absence.
	Family Reasons.	Health Reasons (Not work related).
	Other (not work related)-plea	e explain below.

Your experience at RFG Oil, Inc. is very important to us. If you marked other or would like to go into more detail for the reason you are leaving RFG Oil Inc., please use the space provided below. Use extra sheets of paper if necessary.



Sincerely,

(Signature)

(Print Name) revised 3/5/2009-RB

## **EMPLOYEE REFERENCES**

RFG Oil, Inc. considers all employee information and records to be confidential. The employee may authorize disclosure by law or by court order only. RFG Oil, Inc. does not give employment recommendations.

RFG Oil, Inc. protects the confidentiality of employee records by restricting their access to only those employees who have a business need to see them.

## **UNEMPLOYMENT CLAIMS**

Fax any unemployment claim documents, hearing notice, or any other unemployment related contract/document received at RFG OIL, INC to the main office at 858-273-5233. Furthermore, any calls received at the Service Center by State Unemployment Officials inquiring about separations related to former partners should be directed to the Main Office at 858-273-8539.

### **BENEFIT INFO:**

Medical/Dental/Vision Plans are constantly changing. Please refer to the Benefit Plan Sheet for the current plan details.



## **CONFIRMATION OF RECEIPT**

I have received my copy of the employee handbook for RFG Oil Inc. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by RFG Oil, Inc. RFG Oil, Inc reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the Director of Operations of RFG Oil, Inc., no manager, supervisor, or representative of RFG Oil, Inc has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the Director of Operations has the authority to make any such agreement and then only in writing signed by the Director of Operations.

I understand and agree that nothing in the employee handbook creates or is intended to create a promise or representation of continued employment and that employment at RFG Oil, Inc. is employment at-will; employment may be terminated at the will of either RFG Oil, Inc. or myself. My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between RFG Oil, Inc. and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings and representations concerning my employment with RFG Oil, Inc.

Employee's Signature

Date