



EMPLOYEE HANDBOOK

8011 Schofield Avenue
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Revised January 2022
Revised February 2015
Revised October 2006

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WELCOME

It is our privilege to welcome you to Sutton Transport. We wish you every success in your new job, and we hope that you quickly feel at home and part of our family.

Our vision is to become *the* benchmark transportation company providing world-class service through continuous improvement and expansion of our network. You may be asking, how do we do it better than our competition and become the benchmark in our industry? We do it by providing the best customer experience in the business. That means delivering customer's freight On-time and Intact, staying true to the company's core values of Employee-focused, Professionalism, Integrity, Customer-Driven and Continuous Improvement or being EPICC and providing superior customer service.

We hope that your experience here will be challenging, enjoyable, and rewarding. Please feel free to share any concerns you may have about any items addressed in this handbook. We want to work with you to create the best possible environment for all employees. Again, welcome!

Clifford Sutton
President

INTRODUCTION

The Employee Handbook is designed to introduce you to our Company, familiarize you with Company policies, provide general guidelines on work rules, benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment. Employees should familiarize themselves with the contents of this handbook as soon as possible.

COMPANY PROFILE

At Sutton Transport you will find the formula for success. We have a solid history. We began serving customers on November 19, 1979 when Frank and Deb Sutton started the company as a cartage agent for what was then Burlington Northern Air Freight. Upon deregulation of the trucking industry in 1980, the Suttons obtained their own operating authority and began hauling freight and they never looked back. Today, Sutton Transport is recognized as a major LTL company in the Midwest and Nationwide.

We have achieved a lot; like expansion throughout Wisconsin, Illinois, Minnesota and Missouri, adding the newest technologies, newer equipment, as well as offering top-notch service to every customer. We will always strive towards excellence. We believe once your career starts here, you will never ever want to leave. Its fast, fun and above all, rewarding. We know Sutton Transport is the perfect place for you to have a fresh start. We welcome you to the Team!

VISION STATEMENT

Our vision is to become the benchmark transportation company providing world-class service through continuous improvement and expansion of our network.

MISSION STATEMENT

Our Mission is to be the most efficient and reliable transportation network in the Midwest. Sutton Transport will support our customers pursuit to reach their production and distribution goals while providing the ultimate customer experience.

We achieve our mission through trained and empowered employees dedicated to continuous improvement with a customer-first mindset.

We measure success by the loyalty of our customers and the partnerships established. Our services are the result of our effort and determination to exceed our customers' needs and expectations.

CORE VALUES and CULTURE

Our **Core Values** set us apart from our competition by clarifying our identity and serving as a rallying point for all team members. Our **Core Values** are the deeply ingrained principles that guide our company's actions and how we behave. They are the source of our company's distinctiveness and our brand identity. We stay true to these values; Employee Focused, Professionalism, Integrity, Customer Driven and Continuous Improvement.

We are **E P I C!**

EMPLOYMENT AT WILL

Employment at Sutton Transport is on an at-will basis unless otherwise stated in a written individual employment agreement signed by the president of the company. This means that either the employee or the company may terminate the employment relationship at any time, for any reason, with or without notice.

Nothing in this employee handbook creates or is intended to create an employment agreement, express or implied. Nothing contained in this or any other document provided to the employee is intended to be, nor should

it be, construed as a contract that employment or any benefit will be continued for any period of time. In addition, no company representative is authorized to modify this policy for any employee or to enter into any agreement, oral or written, that changes the at-will relationship.

Final interpretation and implementation of any policy in this handbook is vested solely with management. The following policies, procedures, practices and benefits are subject to change or be discontinued at any time by *Sutton Transport*. It is our intent to inform you of changes as they occur. Some policies in this Handbook may not apply to part-time employees.

This handbook is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit, or how a particular policy applies to you, you should address your specific questions through your supervisor or any other member of management.

Finally, some of the subjects described here are covered in detail in the official plan documents and summary plan descriptions governing *Sutton Transport Inc.*'s employee benefit plan. You should refer to these documents for specific information since this Handbook only briefly summarizes those benefits.

OPEN DOOR

Communication is a joint responsibility shared by *Sutton Transport* and you. We encourage all employees to bring suggestions or concerns to the attention of management. Your opinions, suggestions and questions are important to us. Feel free to talk to any member of management about issues at work which concern you. We will attempt to provide you with honest, straight forward responses to your questions and comments. Only if management is aware of problems can they be addressed in a constructive manner.

STATEMENT OF LABOR POLICY

Sutton Transport believes that a union is not necessary to protect the best interests of employees. We believe that employees' interests are best served by our direct, voluntary action and by their direct communication with supervisors and management. We believe, consequently, that there is no need for third parties to intervene between employees and management.

EQUAL OPPORTUNITY and COMMITMENT to DIVERSITY

EQUAL OPPORTUNITY

Sutton Transport provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, creed, ancestry, national origin, citizenship, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, religion, age, disability, genetic information, service in the military, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training. *Sutton Transport* complies with applicable state and local laws governing non-discrimination in employment in every location in which the company has facilities.

Sutton Transport expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties will absolutely not be tolerated.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Corporate Human Resources Department. The company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. Employees who feel they have been subjected to any such retaliation should bring it to the attention of the Corporate Human Resources Department.

Retaliation means adverse conduct taken because an individual reported an actual or a perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- (1) Shunning and avoiding an individual who reports harassment, discrimination, or retaliation;
- (2) Express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination, or retaliation; *or*
- (3) Denying employment benefits because an applicant or employee reported harassment, discrimination, or retaliation or participated in the reporting and investigation process.

Other examples of retaliation include firing, demotion, denial of promotion, unjustified negative evaluations, increased surveillance, harassment, and assault.

AMERICANS WITH DISABILITIES ACT

Sutton Transport is committed to the fair and equal employment of individuals with disabilities under the ADA. It is *Sutton Transport's* policy to provide reasonable accommodation to qualified individuals with disabilities unless the accommodation would impose an undue hardship on the company. *Sutton Transport* prohibits any harassment of, or discriminatory treatment of, employees based on a disability or because an employee has requested a reasonable accommodation.

In accordance with the ADA, reasonable accommodations will be provided to qualified individuals with disabilities to enable them to perform the essential functions of their jobs or to enjoy the equal benefits and privileges of employment. An employee with a disability may request an accommodation from the HR department and engage in an informal process to clarify what the employee needs and to identify possible accommodations. If requested, the employee is responsible for providing medical documentation regarding the disability and possible accommodations. All information obtained concerning the medical condition or history of an applicant or employee will be treated as confidential information, maintained in separate medical files, and disclosed only as permitted by law.

It is the policy of *Sutton Transport* to prohibit harassment or discrimination based on disability or because an employee has requested a reasonable accommodation. *Sutton Transport* prohibits retaliation against employees for exercising their rights under the ADA or other applicable civil rights laws.

COMMITMENT to DIVERSITY

Sutton Transport is committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives. This commitment is embodied in company policy and the way we do business at *Sutton Transport* and is an important principle of sound business management.

HARASSMENT and COMPLAINT PROCEDURE

It is *Sutton Transport's* policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers, or employees by another employee, supervisor, vendor, customer, or third party based on actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information, or any other characteristic protected by applicable federal, state, or local laws. Such conduct will not be tolerated by *Sutton Transport*.

Furthermore, any retaliation against an individual who has complained about sexual or other harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is similarly unlawful and will not be tolerated. *Sutton Transport* will take all reasonable steps necessary to prevent and eliminate unlawful harassment.

Definition of "unlawful harassment." "Unlawful harassment" is conduct that has the purpose or effect of creating an intimidating, a hostile, or an offensive work environment; has the purpose or effect of substantially and unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities because of the individual's membership in a protected class.

Unlawful harassment includes, but is not limited to, epithets; slurs; jokes; pranks; innuendo; comments; written or graphic material; stereotyping; or other threatening, hostile, or intimidating acts based on race, color, ancestry, national origin, gender, sex, sexual orientation, marital status, religion, age, disability, veteran status, or another characteristic protected by state or federal law.

Definition of "sexual harassment." While all forms of harassment are prohibited, special attention should be paid to sexual harassment. "Sexual harassment" can include all of the above actions, as well as other unwelcome conduct, and is generally defined under both state and federal law as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature whereby:

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

Other sexually oriented conduct, whether intended or not, that is unwelcome and has the effect of creating a work environment that is hostile, offensive, intimidating, or humiliating to workers may also constitute sexual harassment.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct that, if unwelcome, may constitute sexual harassment depending on the totality of the circumstances, including the severity of the conduct and its pervasiveness:

- Unwanted sexual advances, whether they involve physical touching or not;

- Sexual epithets; jokes; written or oral references to sexual conduct; gossip regarding one's sex life; comments about an individual's body; and comments about an individual's sexual activity, deficiencies, or prowess;
- Displaying sexually suggestive objects, pictures, or cartoons;
- Unwelcome leering, whistling, brushing up against the body, sexual gestures, or suggestive or insulting comments;
- Inquiries into one's sexual experiences; *and*
- Discussion of one's sexual activities.

All employees should take special note that, as stated above, retaliation against an individual who has complained about sexual or other harassment and retaliation against individuals for cooperating with an investigation of sexual or other harassment complaints violate *Sutton Transport's* policy.

How To Report a Violation

Do not assume that *Sutton Transport* is aware of the problem. It is your responsibility to bring your complaints and concerns to our attention so that we can help resolve them. Immediately report suspected violations of this policy to your supervisor, the Director of Human Resources or any other member of management.

Investigation and Response

If you report a complaint of harassment or inappropriate behavior, we will investigate your concerns. Where there has been a violation of policy, we will take appropriate action to try to avoid future violations. In appropriate cases, disciplinary action (up to and including termination) will be taken against those violating the Anti-Harassment Policy. We will inform parties about the status of reviewing their complaints. To respect the privacy and confidentiality of all people involved, we might not share specific details of the discipline or other action taken.

Company Management Responsibility

Every Company supervisor and manager is responsible for ensuring that *Sutton Transport* provides a workplace free of harassment and inappropriate behavior and that complaints are handled promptly and effectively. *Sutton Transport's* management must inform their employees about the policy, promptly investigate allegations of harassment, take appropriate disciplinary action, and take steps to assure retaliation is prohibited.

Retaliation Is Prohibited

This policy strictly prohibits any retaliation against an employee or other person who reports a legitimate concern about harassment or other inappropriate behavior.

Application

This applies to all employees and to anyone else doing business for or with *Sutton Transport*. This includes customers, vendors, suppliers, and contractors. It also applies to all locations and situations where company business is conducted and to all company-sponsored social events.

IMMIGRATION LAW COMPLIANCE

The Company complies with the Immigration Reform and Control Act of 1986 by employing only U.S. citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of work to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (Form I-9). If you cannot verify your right to work in the United States within three (3) days of hire, the Company is required by law to terminate your employment.

CONFLICTS of INTEREST and CONFIDENTIALITY

CONFLICT OF INTEREST

Sutton Transport expects all employees to conduct themselves and company business in a manner that reflects the highest standards of ethical conduct and in accordance with all federal, state, and local laws and regulations. This includes avoiding real and potential conflicts of interests.

Exactly what constitutes a conflict of interest or an unethical business practice is both a moral and a legal question. *Sutton Transport* recognizes and respects the individual employee's right to engage in activities outside of employment that are private in nature and do not in any way conflict with or reflect poorly on the company.

It is not possible to define all the circumstances and relationships that might create a conflict of interest. If a situation arises in which there is a potential conflict of interest, the employee should discuss this with a manager for advice and guidance on how to proceed. The list below suggests some of the types of activities that indicate improper behavior, unacceptable personal integrity, or unacceptable ethics:

- Simultaneous employment by another firm that is a competitor of or supplier to *Sutton Transport*.
- Carrying on company business with a firm in which the employee, or a close relative of the employee, has a substantial ownership or interest.
- Holding a substantial interest in, or participating in the management of, a firm to which the company makes sales or from which it makes purchases.
- Borrowing money from customers or firms, other than recognized loan institutions, from which our company buys services, materials, equipment, or supplies.
- Accepting substantial gifts or excessive entertainment from an outside organization or agency.
- Speculating or dealing in materials, equipment, supplies, services, or property purchased by the company.
- Participating in civic or professional organization activities in a manner that divulges confidential company information.
- Misusing privileged information or revealing confidential data to outsiders.
- Using one's position in the company or knowledge of its affairs for personal gains; *and*
- Engaging in practices or procedures that violate antitrust laws, commercial bribery laws, copyright laws, discrimination laws, campaign contribution laws, or other laws regulating the conduct of company business.

Employees with a conflict-of-interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their manager or the Human Resource department.

CONFIDENTIALITY

Because of job related responsibilities, employees may have access to confidential company information. This may include information concerning the company's financial status, business practices, employee records and customer data. This information is to remain confidential and not be disclosed to any persons outside the Company. All employees are responsible for protecting the confidentiality of this information. An employee who improperly uses or discloses trade secrets or confidential business information will be subject to disciplinary action up to and including termination of employment and legal action, even if the employee does not actually benefit from the disclosed information.

EMPLOYMENT RELATIONSHIP

RECRUITMENT and HIRING

The Company's primary goal when recruiting new employees is to fill vacancies with persons who have the best available skills, abilities, or experience needed to perform the work. Decisions regarding the recruitment, selection, and placement of employees are made based on job-related criteria.

When positions become available, qualified current employees are encouraged and are welcome to apply for the position. As openings occur, notices relating general information about the position are posted. The Human Resources Department will arrange interviews with employees who apply.

We encourage current employees to recruit new talent for our Company.

EMPLOYMENT RELATIONSHIP

ORIENTATION PERIOD

The first ninety days of employment are considered to be a trial period for new employees. It offers management an opportunity to review your skills, ability and attitude. It is the company's opportunity to monitor and evaluate every new employee's performance to determine whether further employment in a specific position or with *Sutton Transport* is appropriate. It is your opportunity to evaluate us as well.

Every new employee must successfully complete the ninety (90) day orientation period. All new employees must make every effort to become a fully functional part of the Sutton Team. The tools for employee success are provided; it is the employee's responsibility to utilize them. New employees who fall short of the company's expectations may be subject to discharge outside the company's parameters of progressive corrective action during the orientation period. New driving employees will be subject to discharge for committing any driving infraction during the orientation period. Employees are ineligible for any employee benefits during the orientation period.

EMPLOYMENT RELATIONSHIP

EMPLOYEE PRIVACY

It is Sutton Transport's goal to respect the individual privacy of its employees and at the same time maintain a safe and secure workplace. When issues of safety and security arise, you may be requested to cooperate with an investigation. The investigation may include the following procedures to safeguard the company and its employees: searches of personal belongings, searches of work areas, searches of private vehicles on company premises, medical examinations, and the like. Failure to cooperate with an investigation is grounds for termination. Providing false information during any investigation may lead to discipline, including termination.

Employees are expected to make use of company facilities only for the business purposes of the company. Accordingly, materials that appear on company hardware or networks are presumed to be for business purposes, and all such materials are subject to review by the company at any time without notice to the employees. Employees do not have to have any expectation of privacy with respect to any material on company property. Sutton Transport regularly monitors its communications systems and networks as allowed by law. Monitored activity may include voice, e-mail, and text communications, as well as Internet search and browsing history. Employees who make excessive use of the communications system for personal matters are subject to discipline. Employees are expected to keep personal communication to a minimum and to emergency situations.

Video surveillance. As part of its security measures and to help ensure a safe workplace, Sutton Transport has positioned video cameras to monitor various areas of its facilities. Video cameras will not be used in private areas, such as break rooms, restrooms, locker/dressing rooms, etc. Video recordings will not include an audio component.

EMPLOYMENT RELATIONSHIP

EMPLOYMENT CLASSIFICATIONS

In order to determine eligibility for benefits and overtime status and to ensure compliance with federal and state laws and regulations, Sutton Transport classifies its employees as shown below. Sutton Transport may review or change employee classifications at any time.

Exempt. Exempt employees are typically paid on a salary basis and are not eligible to receive overtime pay.

Non-exempt. Non-exempt employees are paid on an hourly basis and are eligible to receive overtime pay for overtime hours worked.

Full-Time. An employee who is regularly scheduled to work 40 or more hours per week is considered full-time.

Part-Time. An employee who is regularly scheduled to work 39 or less hours per week is considered part time.

EMPLOYMENT RELATIONSHIP

ORIENTATION and TRAINING

To help you become familiar with the Company and our way of doing things, the Company will provide an orientation and training session within the first few days after you begin work. Some of the content of the session will depend in large part on the nature of your responsibilities, while other parts will be applicable to all employees. In addition, the Company may periodically offer additional training or educational programs. Some programs may be voluntary, while others will be required.

EMPLOYMENT RELATIONSHIP

OVERTIME (NON-DRIVER)

Employees in non-exempt positions, as defined by applicable law, will be eligible to receive payment for working overtime. Overtime pay is one-half (1½) times their regular hourly rate of pay for all authorized hours worked in excess of forty (40) hours in the work week. All overtime must be approved in advance by the employee's supervisor. Employees who work unapproved overtime may be subject to corrective action.

Mandatory Overtime. When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided.

EMPLOYMENT RELATIONSHIP

PAY POLICIES

The established work week at *Sutton Transport* is Sunday to Saturday. Paychecks are prepared weekly and distributed on Friday*. Paychecks are directly deposited into your checking and/or savings accounts.

The Company does not advance monies to employees.

Final Pay

Terminating employees will receive all compensation to which they are entitled. Employees who are terminated involuntarily will receive their final paycheck on the next pay date. If an employee voluntarily quits or resigns, all wages are payable on the next pay date.

Final checks will be held by the company until all company property has been returned including but not limited to uniforms, keys, fuel cards and other company-issued property.

EMPLOYMENT RELATIONSHIP

SEPARATION OF EMPLOYMENT

A voluntary termination of employment occurs when an employee submits a written or verbal notice of resignation, including intent to retire, to his or her supervisor or when an employee is absent from work for three consecutive workdays and fails to contact his or her supervisor (job abandonment).

In all cases of voluntary resignation (one initiated by the employee), employees are asked to provide a written notice to their supervisors at least ten (10) working days in advance of the last day of work. The 10 days must be actual working days. Holidays and Vacation will not be counted toward the 10-day notice. Employees who provide the requested amount of notice will be considered to have resigned in good standing and generally will be eligible for rehire.

In most cases, Human Resources Department personnel will conduct an exit meeting on or before the last day of employment to collect all company property and to discuss final pay. If applicable, information regarding benefits continuation through the Consolidated Omnibus Budget Reconciliation Act (COBRA) will be sent to the employee's home address via the insurance Carriers.

EMPLOYMENT RELATIONSHIP

TIME RECORDS

All nonexempt and certain exempt job classification employees are required to complete accurate weekly time reports showing all time actually worked. These records are required by governmental regulations and are used to calculate regular and overtime pay.

EMPLOYMENT RELATIONSHIP

WORK SCHEDULES (NON-DRIVER)

Each workweek consists of forty (40) hours, and generally includes work performed Monday through Friday. However, the nature of our business sometimes demands workday or workweek hours different than those set forth. Variation to the schedule will be made or approved by department managers.

EMPLOYMENT RELATIONSHIP

WORKING OFF THE CLOCK

Sutton Transport is committed to paying employees for all time worked. Work performed “off the clock,” will be paid, but is considered a violation of policy for which employees will be subject to corrective action. Employees who feel that they have been pressured, either directly or indirectly, to work “off the clock” or “volunteer” their time, must immediately contact their supervisor or any other member of management.

WORKPLACE SAFETY

COMMITMENT TO SAFETY

Safety is our mutual responsibility. It is the Company's policy to ensure a safe work environment for employees and to require safe work practices of all employees. Safety, however, depends on YOU. As an employee, you have a duty to comply with the safety rules of the Company, and you are expected to take an active part in maintaining this hazard-free environment. You must observe all posted safety rules, adhere to all safety instructions provided by your supervisor, and use safety equipment where required. Your workspace should be kept neat, clean and orderly. We expect our employees to conduct themselves carefully at all times and should work with safety in mind. Additionally, we expect employees to be cautious and reasonable in their work habits and not take unnecessary chances.

WORKPLACE SAFETY

DRUG-FREE and ALCOHOL-FREE WORKPLACE

It is the policy of Sutton Transport to maintain a drug- and alcohol-free work environment that is safe and productive for employees and others having business with the company. The unlawful use, possession, purchase, sale, or distribution of or being under the influence of any illegal drug or controlled substance (including medical marijuana) while on company or client premises or while performing services for the company is strictly prohibited. Sutton Transport also prohibits reporting to work or performing services under the influence of alcohol or consuming alcohol while on duty or during work hours. In addition, Sutton Transport prohibits off-premises abuse of alcohol and controlled substances (including medical marijuana), as well as the possession, use, or sale of illegal drugs, when these activities adversely affect job performance, job safety, or the company's reputation in the community.

To ensure compliance with this policy, substance abuse screening may be conducted in the following situations:

Pre-Employment: as required by the company for all prospective employees who receive a conditional offer of employment.

For Cause: upon reasonable suspicion that the employee is under the influence of alcohol or drugs that could affect or have adversely affected the employee's job performance.

Random: as authorized or required by federal or state law.

Compliance with this policy is a condition of employment. Employees who test positive or who refuse to submit to substance abuse screening will be subject to termination. Notwithstanding any provision herein, this policy will be enforced at all times in accordance with applicable federal, state and local law. Any employee violating this policy is subject to discipline, up to and including termination, for the first offense.

WORKPLACE SAFETY

PRESCRIBED MEDICATION

Prescribed medications are permitted if they do not adversely affect job performance and/or the safety of the employee or other individuals in the workplace. Employees are expected to notify their supervisor if they are taking prescribed medications or over-the-counter medications that may unfavorably affect the employee's judgment, performance, or behavior. Employees are also expected to follow all directions, restrictions, and warnings for any prescribed or over-the-counter medications and drugs. *Sutton Transport* reserves the right to take appropriate action (including relieving an employee from work) if the use of a drug (prescribed or over-the-counter) is impairing or is deemed likely to impair the employee's faculties or work performance.

REPORTING DRUG and ALCOHOL VIOLATIONS

To help *Sutton Transport* maintain a drug-free workplace, if you become aware of another employee selling, purchasing, transferring, or using drugs while on the job, you must report the circumstances to your supervisor.

DRUG AND ALCOHOL TESTING POLICY FOR COMMERCIAL DRIVERS

(See Drug and Alcohol Testing Program and Policy Manual)

WORKPLACE SAFETY

INJURIES / ACCIDENTS

Most injuries and accidents (personal and vehicular) are caused by carelessness, inattentiveness, rushing and horseplay. All employees have the opportunity and responsibility to contribute to a safe work environment by using commonsense rules and safe practices

Reporting

Any workplace injury, accident, or illness must be reported to the employee's supervisor as soon as possible, regardless of the severity of the injury or accident. In the event you are injured or involved in an accident while on the job during working hours you must do the following:

- Report the injury immediately to your Manager and/or the Safety Department.
- Secure the necessary medical attention.
- Complete an accident/injury report. *(This must be done regardless of the seriousness of the injury or accident.)*

In order to expedite the time filing, processing, and payment of any appropriate workers' compensation claims and benefits and/or repair of equipment, any employee involved and their manager must complete an accident/incident report within twenty-four (24) hours of the accident or injury. The reports must be signed by your supervisor. Failure to report an on-the-job injury or accident immediately may result in corrective action.

Driving Practices

Each employee (driving and non-driving) will be expected to maintain a current Operator's License mandated by the State of Wisconsin. Illinois-based employees must hold a valid operator's license issued by the State of Illinois.

Driving abstracts will be reviewed on a regular basis. Each employee is encouraged to maintain a clean, violation free record. Accident frequency, overall driving record and any problem related to driving a motor vehicle that has a negative effect on the employee or *Sutton Transport*, or in any way restricts the ability of the Company to obtain proper insurance coverage, may be grounds for termination of employment. Numerous traffic citations and/or violations incurred which lead to a suspension or revocation of a current employee's driver's license may be grounds for corrective action to include termination.

Preventable Accidents

A preventable accident is defined as *"any accident involving the vehicle, unless properly parked, which results in property damage or personal injury and in which the driver failed to do everything he/she reasonably could have done to prevent or avoid the accident or an accident charged against a driver by an officer of the court"*.

Orientation Period

Every new driving employee must successfully complete a ninety (90) day orientation period. The new driving employee will be subject to discharge for committing any driving infraction or safety violation during the orientation period.

Standards of Driver Proficiency

1. If a driver incurs 2 preventable accidents/incidents within a two (2) year period the result is immediate discharge.
 - a. 1st preventable accident/incident; employee will receive a final written warning
2. Any one (1) infraction from the Major Driving Violation list will result in discharge.

Major Driving Violations

Any major violation occurring on the job during your tenure with *Sutton Transport* will result in

discharge from employment. The list below is examples of major violations. *Sutton Transport* reserves the right to discharge an employee on a conviction of any violation, or for any accident, which it deems detrimental to public safety or the public image of the Company. Major violations include but are not limited to:

- Speeding in excess of 15 MPH over speed limit and associated violations.
- Citation and/or conviction for a DWI/DUI.
- Reckless driving and associated violations.
- Racing/Exhibitionist Driving and associated violations.
- Failure to submit to alcohol / drug test following an accident; refusing to submit to a drug and/or alcohol test if required by regulation and/or Company policy.
- Preventable accident resulting in a fatality, or bodily injury requiring hospitalization.
- Any false, inaccurate or incomplete information on an accident report.
- Knowingly providing false / inaccurate or incomplete information to Law Enforcement personnel or *Sutton Transport* management concerning an accident.
- Failure to advise *Sutton Transport* management of any traffic citation, accident, suspension or revocation offense received by the driver within 24 hours or next business day.
- Preventable accident caused as a result of inattention or an unsafe act.
- Use of, possession of, or driving while under the influence of alcohol or controlled substances, including possession of drug paraphernalia (excluding authorized prescriptions).
- Hit and run accidents.
- Accidents resulting from failure to properly secure the *Sutton Transport* vehicle from movement (rolling). This includes failure to place the vehicle in park or gear, setting the parking brake and chocking where applicable.
- Transporting unauthorized individuals.
- Operating a *Sutton Transport* vehicle in an unsafe or unauthorized manner.
- Vehicle abuse.
- Driving on a suspended/revoked license.
- Any conduct while operating a *Sutton Transport* vehicle which may be considered “rude”, “vulgar” or inappropriate.

Corrective Action

Corrective action arising out of driving incidents will be treated as a part of the overall employee performance and corrective action process. Corrective action for substandard driving performance will be based on a review of the driver’s MVR (Motor Vehicle Record), personnel file, other documented safety violations and accident records for a three (3) year period. An employee is subject to corrective action for any violation. However, the minimum corrective action will be a final written warning.

NOTE: In all instances, existence of other performance problems or severity of safety violation may accelerate the corrective action process.

WORKPLACE SAFETY

SEVERE WEATHER

Our Company is generally open for business, regardless of weather conditions. However, weather conditions may prevent employees from getting to work, or cause them to arrive late. Employees are expected to make every reasonable effort to report to work. If you are unable to get to work or if you expect to be late, contact your supervisor as soon as possible. Days missed due to inclement weather are without regular pay and can be taken as vacation unless the day was previously authorized as a paid day. (i.e., a prearranged vacation day or official paid holiday).

SWEEPING OUT OF TRAILERS

(Driver and Dock Employees) Trailers must be swept clean prior to loading. Debris on the trailer floor contributes to unsafe and slippery surfaces thus increasing the potential for someone to slip, trip and fall causing injury

WORKPLACE SAFETY

WORKPLACE VIOLENCE PREVENTION

Sutton Transport is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, *Sutton Transport* has adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of *Sutton Transport* without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a member of *Sutton Transport*, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's race, color, sex, age, sexual orientation, religion, national origin, disability, or any other legally protected status.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by *Sutton Transport* members, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

Sutton Transport encourages employees to bring their disputes or differences with other employees to the attention of their supervisors before the situation escalates into potential violence. *Sutton Transport* is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action, up to and including termination of employment.

WORKPLACE GUIDELINES

ATTENDANCE (Absences & Tardiness)

Consistent attendance is an essential function of every employee's position. All employees are expected to arrive on time, ready to work, every day they are scheduled to work. If unable to arrive at work on time, or if an employee will be absent for an entire day, the employee must contact the supervisor by telephone as soon as possible. Voicemail, text, and e-mail messages are not acceptable. You must call every day that you are absent unless you are on an approved time off or leave of absence.

You must submit documentation for absences due to illness. A doctor's excuse will be required for absences of more than two (2) consecutive days. Excessive absenteeism or tardiness will result in discipline up to and including termination. Unapproved absences will be considered unexcused time off.

If an employee fails to report to work or call in to inform the supervisor of the absence for three (3) consecutive days or more, the employee will be considered to have voluntarily resigned employment.

Tardiness is considered to occur and count against an employee when an employee is five (5) or more minutes late to his/her scheduled shift *and* has not called in at least one (1) hour in advance of his/her shift and informed a member of management.

WORKPLACE GUIDELINES

ATTIRE and GROOMING

Our dress code policy is designed to help us all provide a consistent professional appearance to our customers and colleagues. Our appearance reflects on ourselves and the company. Employees are expected to be neat, clean and well-groomed while on the job.

Clothing must be consistent with the standards for a business environment and must be appropriate to the type of work being performed. The goal is to be sure that we maintain a positive appearance and not to offend customers, clients, or colleagues.

Sutton Transport is confident employees will use their best judgment regarding attire and appearance. All employees are expected to dress in a manner consistent with good hygiene, safety, and good taste. Please use common sense.

Management reserves the right to determine appropriateness. It is our expectation that you project a professional image. Hair, mustaches and beards must be kept clean and neatly trimmed.

Office Dress Code Policy

- All employees must be covered from shoulders to knees at all times (*no see-through clothing is permitted at any time*).
- Employees are expected to dress in [*casual, business casual, or business*] attire unless the day's tasks require otherwise.
- Employees must always present a clean, professional appearance. Everyone is expected to be well-groomed and wear clean clothing, free of holes, tears, or other signs of wear.
- Clothing and grooming styles dictated by religion or ethnicity are not allowed
- Dress or Cargo-type shorts are allowed. Shorts must be knee-length, no cut-offs.
- Sandals must have back a strap.

Unacceptable Office Attire

- Don't wear tight or revealing clothing
- No plunging necklines, midriff-revealing crop tops, sheer fabrics, mini-skirts/short dresses
- A man's unbuttoned shirt shouldn't show off his chest hair.
- Leggings as pants
- Tank tops
- Sweatpants or yoga pants.
- Clothing with offensive or inappropriate designs or stamps are not allowed.
- No political affiliation, profanity-laced or defamatory caricature on apparel
- Any clothing that shows an undergarment.
- No flip-flops
- Natural and artificial scents may become a distraction from a well-functioning workplace and are also subject to this policy
- Jewelry; no nose piercings and/or stretched ear lobes

Tattoos

- Tattoos that are easily visible – wrist, ankle, forearm, lower leg - must be small and not offensive
- Visible tattoos larger than a half dollar should be covered
- Management has the right to request you to cover your tattoo

Drivers (P&D only)

Sutton Transport drivers must be in full uniform at all times. The Company logo must be visible. The Company will issue upon hire five (5) shirts and one (1) jacket to each driving employee. The shirts and jacket are the property of the Company. The P&D driver is responsible for a portion of the total cost of uniforms and is assessed a usage fee through weekly payroll deductions. The employee must provide their own work pants.

Shorts

When shorts are worn, they must be of an acceptable length immediately above the knee.

Footwear

Footwear must be steel or composite-toed safety shoes and are the financial responsibility of the employee.

Hats

Drivers may elect to wear a cap or hat, but it must have a *Sutton Transport* logo affixed, issued by the Company.

Laundered Uniforms

It will be the responsibility of the employee to maintain and clean the uniform on a regular basis.

Returned Uniforms

Uniforms must be returned undamaged upon termination of employment or the employee must pay for the cost of any shortage or repair. Upon termination of employment the shirts and jacket must be returned before receipt of the final paycheck

Dock/Forklift

Footwear

Footwear must be steel or composite-toed safety shoes and are the financial responsibility of the employee.

Dress Code Violations

Managers or supervisor are expected to inform employees when they are violating the dress code. Employees in violation are expected to immediately correct the issue. This may include having to leave work to change clothes. Repeated violations or violations that have major repercussions may result in disciplinary action being taken up to and including termination.

WORKPLACE GUIDELINES

CELL PHONES AND PERSONAL ELECTRONICS

The company recognizes that occasionally it is necessary for employees to make or receive personal telephone calls during working hours. The company, however, asks that employees restrict their personal telephone usage to emergency situations. Employees may not use a cell phone while operating a company vehicle. Unless properly authorized, employees should refrain from the use of any form of personal electronic communication devices during normal work hours. These devices may be used during breaks or when employees are at lunch.

WORKPLACE GUIDELINES

FITNESS FOR DUTY

It is *Sutton Transport's* practice to maintain a safe, healthful and efficient work environment for its employees. That is why all *Sutton Transport* employees are required to report to work physically and emotionally fit for duty. If for some reason you are unable to perform your job safely, it is your responsibility to notify your supervisor.

While *Sutton Transport's* Fitness for Duty policy applies to *all* employees, being fit for duty is particularly important when you're out on the public roads driving our vehicles. Drugs, alcohol, fatigue and your emotional state can all affect your driving. Knowing their effects and how to avoid them is an important part of being a professional at *Sutton Transport*.

WORKPLACE GUIDELINES

HANDHELD DEVICES

DOT-Regulated Drivers

The Federal Motor Carrier Safety Administration (FMCSA) has banned texting (Oct 2010) and the use of handheld devices (Jan 2012) while operating a Commercial Motor Vehicle (CMV). A Handheld Electronic Device is defined as a mobile telephone or other portable electronic communication device capable of being used to write, send or read a text message. The definition includes devices that are “temporarily mounted inside the motor vehicle, unless the device is a voice-operated, hands-free device.”

Employees operating a CMV are prohibited from using a handheld device, no matter whether while operating any company equipment. Any employee found violating this policy will be discharged.

HAZARDOUS MATERIALS ENDORSEMENT RENEWAL

When a CDL-regulated employee has been employed for a minimum of three (3) years, the company will pay the cost of their hazardous material endorsement renewal.

HIGH-VISIBILITY APPAREL

All employees performing work within the dock areas, near moving vehicles or equipment are required to wear a high-visibility safety vest. The vests are to be closed in the front at all times.

KNIVES AND WEAPONRY

The company is committed to maintaining a working environment that is safe and free of violence. Accordingly, the company maintains a no weapons policy. The company strictly prohibits the possession of any weapon (whether concealed or not concealed) on company property and during the course of employment. For purposes of this policy, weapons shall include, but not be limited to, all firearms including handguns, electronic weapons, and knives exceeding four inches in length. Further, no employee may carry a weapon in any company-owned vehicle. Nothing in this policy shall prohibit employees from carrying a weapon in their personal vehicle while in the company parking lot so long as the employee’s vehicle is locked when the employee is not present in the vehicle and the weapon is enclosed in a case. No employees may bring their weapon out of their vehicle and onto company-owned grounds or parking lots. Any employee or other person who possesses or conceals a weapon in violation of this policy shall be subject to disciplinary action up to and including termination. All employees must report violations of this policy to management immediately.

This policy supersedes all previous company policies regarding weapons. This policy is intended to comply with all applicable laws regarding the possession of firearms or other dangerous weapons. To the extent this policy conflicts with any local, state, or federal law, the applicable law will govern.

WORKPLACE GUIDELINES

LIGHT DUTY

“Light Duty” is a special, short-term, temporary work assignment that is not an employee’s regular position. Light duty is a specially assigned position reserved only for an employee who has temporary medical restrictions and who is recuperating from an injury occurring while the employee was performing services growing out of an event incidental to his or her employment and is covered by worker’s compensation. Light duty is temporary. In the event the employee is not able to return to his or her regular pre-injury position at the end of the light duty work, the light duty will not become a long-term or permanent job. Light duty may be at a different location, have different hours and different duties than performed in the employee’s pre-injury position.

There is no guarantee of light duty work. The Company may not be able to provide a light duty position for all those with worker’s compensation injuries. The amount and type of light duty work will vary from time-to-time, based on changing needs. Provision for light duty work is at the discretion of the Company as it determines is in its best interest at the time. Once an employee has reached maximum medical improvement, light duty is no longer available.

WORKPLACE GUIDELINES

MEAL AND WORK BREAKS

Meal Break

Our lunch policy encompasses the job classifications of Office Administration, Customer Service, Dock/Forklift and Mechanic. Specific guidelines for each respective area are as follows.

All non-exempt (hourly) employees are required to punch out for their thirty (30) minute lunch break. Your supervisor will schedule the break as the workload permits.

Office Administration, Customer Service, Dock/Forklift, Mechanic

One-half hour (30 minutes) of unpaid lunch is mandatory for each full-time non-exempt employee working eight (8) or more hours per day.

Illinois-Based Employees

Under Illinois law, employees who are scheduled to work 7½ continuous hours or more must take a meal break beginning no later than 5 hours after they begin work.

Driver

The Hours-of-Service Rest Break regulation will be used, as applicable, as unpaid lunch.

Work Break

Full time employees are entitled to two 10-minute break periods each day. Work breaks will be scheduled by the department supervisor or manager.

Part time employees are entitled to one 10-minute break periods each day. Work breaks will be scheduled by the department supervisor or manager.

WORKPLACE GUIDELINES

NON-SOLICITATION/DISTRIBUTION

It is *Sutton Transport's* policy that there shall be no solicitation during working time. Work time is for work. All employees should accomplish their work and not interfere with other employees trying to perform their work. No employee may engage in solicitation, nor may any employee willingly accept solicitation, on behalf of any club, society, religious organization, political party, labor union or similar association, or for any other purpose during actual working time of either the solicitor or the person being solicited. Actual working time means the time during which an employee is required to be performing work duties. Working time does not include the time before the employee's scheduled workday begins, the time after the employee's scheduled workday ends, or the employee's break or lunch period.

Employees may not distribute literature in working areas at any time. Working areas include all areas of the premises except the break areas.

WORKPLACE GUIDELINES

PERSONNEL RECORDS

It is the employee's responsibility to make any changes to personnel data, such as address, telephone number, marital status, number of dependents, emergency contact information, life insurance beneficiary, and tax withholding. It is important that these records are kept accurate and up-to-date.

Employee files are maintained by the HR department and are considered confidential. Managers and supervisors may only have access to personnel file information on a need-to-know basis. Employees may inspect their own personnel files and may copy them but may not remove documents from their file. Inspections by employees must be requested in writing to the HR department and will be scheduled at a mutually convenient time or as required under state law. Personnel files are to be reviewed in the HR department. Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information.

WORKPLACE GUIDELINES

REFERRALS / EMPLOYEE

The Employee Referral Bonus Program will provide a monetary award to a current employee who brings new talent to the company by referring applicants who are selected and successfully employed.

Applicant - Applicants are candidates not currently employed with Sutton Transport Inc. Referred applicants cannot be current employees of Sutton Transport Inc in any capacity.

Referring Employee - All employees in regular full-time or part-time positions are eligible to receive a referral bonus with the exception of: - All management personnel, all HR Department employees and other employees who may be associated with the selection of the candidate, if candidate does not provide the employee's name during the interview process and if the candidate has been previously scheduled for an interview then an employee spoke to the candidate about the referral bonus.

Referral Bonus Amount – A referral bonus will be paid to any employee who refers an applicant who is selected and successfully employed in a position. The referring employee must be employed on the day their referral achieves 90 days employment. Payment of the Referral Bonus will be applied to the next pay period. All bonuses paid under this program are subject to tax withholding.

WORKPLACE GUIDELINES

SOCIAL MEDIA

This policy provides guidance for employee use of social media, which should be broadly understood for purposes of this policy to include blogs, wikis, microblogs, message boards, chat rooms, electronic newsletters, online forums, social networking sites, and other sites and services that permit users to share information with others in a contemporaneous manner.

The following principles apply to professional use of social media on behalf of *Sutton Transport* as well as personal use of social media when referencing *Sutton Transport*.

- Employees should be aware of the effect their actions may have on their images, as well as *Sutton Transport's* image. The information that employees post or publish may be public information for a long time.
- Employees should be aware that *Sutton Transport* may observe content and information made available by employees through social media. Employees should use their best judgment in posting material that is neither inappropriate nor harmful to *Sutton Transport* its employees, or customers.
- Although not an exclusive list, some specific examples of prohibited social media conduct include posting commentary, content, or images that are defamatory, pornographic, proprietary, harassing, libelous, or that can create a hostile work environment.
- Employees are not to publish, post or release any information that is considered confidential or not public. If there are questions about what is considered confidential, employees should check with the Human Resources Department and/or supervisor.
- Social media networks, blogs and other types of online content sometimes generate press and media attention or legal questions. Employees should refer these inquiries to authorized *Sutton Transport* spokespersons.
- If employees encounter a situation while using social media, that threatens to become antagonistic, employees should disengage from the dialogue in a polite manner and seek the advice of a supervisor.
- Employees should get appropriate permission before referring to or posting images of current or former employees, members, vendors or suppliers. Additionally, employees should get appropriate permission to use a third party's copyrights, copyrighted material, trademarks, service marks or other intellectual property.
- Social media use shouldn't interfere with employee's responsibilities. Company computer systems are to be used for business purposes only. When using *Sutton Transport's* computer systems, use of social media for business purposes is allowed (ex: Facebook, Twitter, LinkedIn), but personal use of social media networks or personal blogging of online content is discouraged and could result in disciplinary action.
- Subject to applicable law, after-hours online activity that violates [the Company's Code of Conduct] or any other company policy may subject an employee to disciplinary action or termination.
- If employees publish content after-hours that involves work or subjects associated with *Sutton Transport* a disclaimer should be used, such as this: "The postings on this site are my own and may not represent *OO* positions, strategies or opinions."
- It is highly recommended that employees keep *Sutton Transport* related social media accounts separate from personal accounts, if practical.

Discipline. Violations of this policy may result in corrective action up to and including immediate termination of employment.

WORKPLACE GUIDELINES

TIME CLOCK

It is important that accurate records of your hours are kept so your paycheck will be correct. For this reason, all hourly paid employees are required to accurately record their time each workday.

Biometric Electronic Time Clocks

By law, Sutton Transport (“the Company”) is required to keep accurate records of all time worked by its employees. The biometric electronic timekeeping system is the official basis for recording time worked by Sutton Transport employees. This means the Company collects and uses its employee’s biometric identifier(s) or biometric information only in relation to its timekeeping system. By accepting employment and/or by continuing employment with its employer, an employee agrees to release his or her biometric identifier(s) or biometric information to the Company for use in the Company’s time and attendance recordkeeping. By accepting employment and/or by continuing employment with its employer, the employee agrees to adhere to this *Biometric Electronic Time Clock Policy*.

WORKPLACE GUIDELINES

VEHICLE CLEANLINESS

The company provides vehicles for business use for certain employees based on their job classification. (The term "vehicle," as used in these guidelines, includes, but is not limited to, cars, trucks,).

Any employee operating a company vehicle is required to ensure the vehicle's interior is cleaned after each use. The company is not responsible for paying fines that employees receive while driving company vehicles they are responsible for.

WORKPLACE GUIDELINES

VOLUNTARY QUIT

If an employee does not call in to work on any occasion, Sutton Transport will consider the employee to have voluntarily resigned his/her employment with the company. An employee who leaves the premises during paid working hours without the permission of the supervisor will be considered to have voluntarily terminated his/her employment.

COMPANY PROPERTY POLICIES

GENERAL USE OF COMPANY PROPERTY

All employees are expected to treat company property with respect. Employees may be liable for negligent damage to or loss of company equipment or property. Unauthorized use of company property is prohibited. This includes the use of vehicles for the transport of personal items either during or outside of working hours. Only authorized passengers are permitted in company vehicles.

Pets are not allowed inside company vehicles. No drugs or controlled substances of any kinds should be carried on or consumed in any vehicle or any property owned or leased by *Sutton Transport*.

COMPANY PROPERTY POLICIES

COMPUTERS, INTERNET, E-MAIL and OTHER RESOURCES

The company provides a wide variety of communication tools and electronic resources to employees for use in running day-to-day business activities. Whether it is the telephone, voicemail, scanner, Internet, intranet, e-mail, text messaging, portable electronic devices, or any other company-provided technology, use should be reserved for business-related matters during working hours. All communication using these tools should be handled in a professional and respectful manner.

The efficient use of electronic resources contributes to *Sutton Transport's* success. It is *Sutton Transport's* policy that *Sutton Transport* Electronic Resources be used only in ways that do not violate the law, *Sutton Transport's* policies, or code of conduct. *Sutton Transport's* employees must also protect *Sutton Transport's* Electronic Resources from unauthorized uses and security threats. The term "Electronic Resources" means all electronic devices, software, systems, and networks, directly or through a third party, used to transmit, receive, process, or store *Sutton Transport's* information or data. *Sutton Transport* Electronic Resources include, but are not limited to, computers, servers, databases, PDAs, telephones, wireless devices, e-mail systems, voice messaging systems, and Internet connectivity. It also includes the use of non-*Sutton Transport*-owned electronic resources storing or connecting to *Sutton Transport* data. This policy applies whenever and wherever *Sutton Transport* Electronic Resources are accessed and used.

Computer Passwords

Passwords are an important aspect of computer security. They are the front line of protection for user accounts. A poorly chosen password may result in the compromise of *Sutton Transport's* entire corporate network. As such, all *Sutton Transport* employees with access to company systems are responsible for taking the appropriate steps, as outlined below, to select and secure their passwords. This policy establishes a standard for the creation of strong passwords, the protection of those passwords and the frequency of change.

Password Requirements

- Passwords must contain a minimum of 14 characters
- New passwords cannot be the same as the previous 14 passwords
- Passwords must contain both uppercase and lowercase characters (e.g., a-z and A-Z).
- Passwords must contain at least one number (e.g., 0-9) and special characters e.g. ! @ # \$ %)
- All user-level passwords will expire 365 days from when the password was last set.
- Within 14 days of the password expiring, a windows notification will pop up notifying you that a password is about to expire.
- Passwords used for *Sutton Transport's* systems should not match those that are used for personal accounts.

All passwords are to be treated as sensitive, confidential information and must not be shared with anyone. If you believe your password has been compromised, please notify the IT Department immediately to rest your password and determine if the account and *Sutton Transports* systems may have been compromised as a result.

COMPANY PROPERTY POLICIES

PERSONAL USE

Sutton Transport allows reasonable and limited personal use of *Sutton Transport* Electronic Resources by employees. **Employee personal use must be occasional and brief, must not unduly burden *Sutton Transport's* resources and systems, must comply with all laws and *Sutton Transport's* policies, and must not interfere with normal business activities or the employee's ability to meet job expectations.** In addition, employee personal use for outside commercial ventures, personal financial gain, political fundraising, or other political purposes is prohibited. Employees personal use of cell phones must also be occasional and brief, and must not interfere with the employee's ability to meet job expectations. Employees who take advantage of this policy will be subject to corrective action, up to and including termination.

COMPANY RIGHT TO ACCESS

Sutton Transport reserves the right to monitor or access employee communications or other materials created, received, stored, transmitted, or processed using *Sutton Transport* Electronic Resources, at any time and without notice, where there is a business reason to do so and as permitted by law. For this reason, users of *Sutton Transport* Electronic Resources should not have an expectation of privacy in e-mails, documents, files, voice files, or other communications or materials created, received, stored, transmitted or processed using *Sutton Transport* Electronic Resources, unless required by law.

GUIDELINES FOR USE

- Protect User IDs and passwords for *Sutton Transport* Electronic Resources and ensure their proper use. Passwords are confidential information.
- Ensure that your workstation and mobile devices connecting to *Sutton Transport's* networks meet corporate standards. Do not uninstall or disable *Sutton Transport*-provided security solutions, such as anti-virus tools, firewalls, or password-protected screensavers.
- Lock workstations when left unattended.
- If using *Sutton Transport* Electronic Resources in public places, take appropriate measures to protect *Sutton Transport's* confidential information. For example, when using your laVacationp computer on airplanes or in hotel lobbies, use a supported privacy screen filter.
- Use only properly licensed copies of computer software. Do not copy or use software licensed to *Sutton Transport* unless *Sutton Transport's* license from the software publisher permits the copying or use.
- Limit your personal use of *Sutton Transport* Electronic Resources. Make sure your use is occasional and brief, does not unduly burden *Sutton Transport's* resources and systems, complies with all *Sutton Transport's* policies, and does not interfere with normal business activities or your ability to meet job expectations.
- Be aware that *Sutton Transport* reserves the right to access and monitor *Sutton Transport* Electronic Resources and employee use of those resources, as permitted by law.

WHAT TO AVOID

- Using electronic resources in a manner that violates any law or *Sutton Transport* policy.
- Using electronic resources in a manner inconsistent with a respectful business environment or which violates *Sutton Transport* Anti-Harassment Policy, for example, by sending offensive or harassing messages or downloading or viewing sexually explicit or other offensive material.
- More than occasional, brief personal use of *Sutton Transport* Electronic Resources.
- Using *Sutton Transport* Electronic Resources for outside commercial ventures, personal financial gain, political fund-raising, or other political purposes.
- Downloading, copying or using software or other materials in violation of copyright laws or license restrictions.
- Posting a list of passwords next to your workstation.
- Disabling any *Sutton Transport*-required software.
- Using *Sutton Transport* email system to send personal photos or other large non-business files, which can negatively impact *Sutton Transport's* network operations.

RETURN OF COMPANY PROPERTY

Upon termination, whether voluntary or involuntary, employees must promptly return all *Sutton Transport* property that the employee has in his/her possession or control.

BENEFIT POLICIES

VACATION

In the belief that all people need a change of activity after a sustained period of work, a vacation program has been adopted for all full-time employees. Vacations are accrued or earned based on the employee's length of service and position within the company.

Eligibility

All full-time employees are eligible for vacation benefits. Full-time employees are those working forty (40) plus hours per week. Vacation eligibility will begin upon employment and continue to the anniversary date of the following year. No vacation can be taken until ninety (90) consecutive days of successful employment has been completed.

Job Classification vs Years of Service vs Vacation Accrual

Each full-time employee will accrue VACATION weekly in hourly increments based on their job classification and length of service as defined below.

Full Time Drivers*			
Continuous Employment Years	Wkly Accrual Rate	VACATION Hours/Yr	VACATION Annual Days
91 Days	0.7692	10	1
1	0.7692	40	5
2	0.7692	40	5
3	1.5385	80	10
4	1.5385	80	10
5	1.5385	80	10
6*	1.8462	96	12
7	2.1538	112	14
8	2.4615	128	16
9	2.7692	144	18
10+	3.0769	160	20
Full Time Regular Employees			
Continuous Employment Years	Wkly Accrual Rate	VACATION Hours/Yr	VACATION Annual Days
91 Days	0.7692	10	1
1	0.7692	40	5
2	0.7692	40	5
3	1.5385	80	10
4	1.5385	80	10
5	1.5385	80	10
6	1.5385	80	10
7	2.3077	120	15
8	2.3077	120	15
9	2.3077	120	15
10+	3.0769	160	20

Requesting Vacation

Advance notice is necessary when scheduling vacation hours. We require a seven (7) day notice prior to the date vacation is to commence. To use vacation, employees must request advance approval from their supervisor. Requests will be approved based on various factors to include business needs and staffing requirements.

The Company reserves the right to restrict an employee's vacation based on Company need. The Company also reserves the right to limit the number of employees requesting vacation at the same time. vacation will be allocated on a first come first serve basis. In the event of conflicts, the company will give preference to employees in selection of vacation periods on the basis of company seniority in their respective classifications. *Though every effort will be made to grant vacation requests, please understand that the staffing needs of Sutton Transport take precedence.*

Guidelines for Using Your Vacation

1. Employees may use time from their vacation in the following minimum daily increments:
 - a. Drivers and Dock - 8 hours
 - b. Office Administration and Customer Service - 4 hours
 - c. Management – 8 hours
2. Employees are not allowed to draw more than 40 hours per week.
3. All vacation hours taken will be subtracted from the employee's accrued time balance.
4. Vacation Payout
 - a. Drivers and Dock Worker Job Classification
 - Allowed to cash out their vacation at increments of no more than forty (40) hours at one time and up to a maximum of five (5) times per year.
 - b. All Other Job Classifications
 - The Vacation Carryover policy applies.
5. The Company may require employees to substitute vacation for absences in accordance with federal and state law.
6. Vacation will not accrue when the employee is off work for any type of leave of absence and workers compensation.
7. Employees with 3 weeks or more of earned vacation, must take at minimum 1 full week of vacation (5 consecutive days).
8. Exceptions to this policy are as follows:
 - a. Bereavement Pay
 - b. FMLA
 - c. Short and Long-Term Disability
 - d. Worker's Compensation
 - e. Doctor's medical document (approved by Human Resources)

Vacation Carryover

An employee may carry over a maximum of one (1) week into the next year based on anniversary date. Any unused vacation in excess of one (1) week, would be forfeited on the employee's annual anniversary. Employees are responsible for monitoring and taking their vacation over the course of a year so that they do not lose time accrued when their current anniversary year ends.

Vacation and Resignations

In the event of a proper 2-week notice of resignation, full time hourly employees will receive any earned hours left in their Vacation account up to a maximum of 2 weeks (10 days) with the final paycheck or the following pay period. Vacation will not be paid when an hourly employee leaves with less than a two week notice or fails to work their regular schedule during their final two weeks.

Vacation and Termination of Employment

Earned unused vacation hours will *not* be paid when an employee is dismissed from employment.

Vacation vs Illinois-Based Employees

Illinois-based employees will receive the monetary equivalent of all earned Vacation for any type of employment separation to include voluntary resignation with or without a proper 2-week notice and for termination of employment.

HOLIDAYS

To enable you to spend time with your family and friends without a loss of pay *Sutton Transport* traditionally observes certain holidays as paid holidays. These are as follows:

- | | |
|------------------|------------------|
| New Year’s Day | Labor Day |
| Memorial Day | Thanksgiving Day |
| Independence Day | Christmas Day |

If these holidays fall on Saturday, the proceeding Friday will generally be a holiday. If they fall on Sunday, the following Monday will generally be a holiday.

Eligibility and Pay For Paid Holidays

- You must be continuously employed by *Sutton Transport* as a full-time employee for at least three (3) months prior to the paid holiday.
- You must be on active status.
- You must work the first regularly scheduled workday before the holiday and the first regularly scheduled workday following the holiday. An approved VACATION day or other management excused absence or paid day off is considered a day worked for purposes of holiday pay eligibility.
- Holiday pay is your regular hourly rate times eight (8) hours.
- You will not be eligible for holiday pay while on any type of leave of absence.
- Medical excuses will not be considered an approved day off.

BENEFIT POLICIES

INSURANCE BENEFITS

Sutton Transport recognizes the value of benefits to employees and their families. The company supports employees by offering a comprehensive and competitive benefits program. For more information regarding benefit programs, please refer to the company's *Benefits Resource Guide* and applicable plan documents. While *Sutton Transport* intends to continue to offer certain benefits plans, it reserves the right to amend them or terminate them at any time. Your participation in such benefit plans shall be subject to the terms of the applicable plan documents, including eligibility requirements, as the same may be amended from time to time.

Medical Insurance

Employees working 30 hours or more per week are eligible for medical insurance. Eligibility waiting period is 60 days from hire date. The effective date for coverage is the first day of the following month.

Health Savings Account (HSA)

Eligibility waiting period is 60 days from hire date. The effective date for coverage is the first day of the following month. An HSA is an account that allows you to save for future medical expenses. The company will contribute monies to your account quarterly. Amount of contribution is dependent upon coverage type elected.

Dental Insurance

Full-time employees working 40 hours or more per week are eligible for insurance. Eligibility waiting period is 90 days from hire date. The effective date for coverage is the first day of the following month.

Vision Insurance

Full-time employees working 40 hours or more per week are eligible for insurance. Eligibility waiting period is 90 days from hire date. The effective date for coverage is the first day of the following month.

401(k) Retirement Plan

Eligibility waiting period is 90-days from hire date. Employees are eligible to enroll on their 91st day of employment and/or at anytime after eligibility is met.

Life Insurance

Eligibility waiting period is 90 days from hire date. The effective date for coverage is the first day of the following month. The company offers 2 separate plans; Group life and Voluntary Life.

Short and Long-Term Disability

Disability Income Insurance provides you an income when you are disabled due to a covered accidental injury or sickness that keeps you away from work for an extended period of time. Eligibility waiting period is 90 days from hire date.

Accident Insurance

Accident Insurance covers you in the event of an accident while you are not at work. Eligibility waiting period is 90 days from hire date.

Critical Illness Insurance

Provides a lump-sum payment upon first diagnosis of a Covered Condition. See plan definition for specifics. Eligibility waiting period is 90 days from hire date.

Hospital Indemnity

A supplement to a standard health insurance policy that covers hospital expenses based on a fixed rate per day in the hospital. Covers certain amount of expenses incurred through a hospital stay or other care provided by a hospital. Eligibility waiting period is 90 days from hire date.

COBRA

According to the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985, in the event of your termination of employment with Sutton Transport or loss of eligibility to remain covered under Sutton Transport's group health insurance program, employees and their eligible dependents may have the right to continued coverage under the company's group health insurance program for a limited period of time at their own expense. Consult the Human Resources Department for details.

LEAVES OF ABSENCE

The Company realizes that employees sometimes need time away from work for personal reasons. Leaves of absence will be considered for:

Military	Bereavement
Jury	Family Medical
Disability	

Military

In accordance with requirements of The Uniformed Services Employment and Reemployment Rights Act, *Sutton Transport* will provide military leave of absence and reinstatement for qualifying employees. No person will be denied employment, reemployment, promotion, or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or this policy - Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including Reservists, National Guard members for training, periods of active military service, and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Upon an employee's prompt application for reemployment, an employee will be reinstated to employment in the following manner depending upon the employee's period of military service.

Jury Duty / Court Appearances

Sutton Transport will grant employees time off for mandatory jury duty or court appearances as a witness when the employee must serve or is required to appear as a result of a court order or subpoena. A copy of the court order or subpoena must be supplied to the employee's manager when requesting time off.

Time off for court appearance as a party to any civil or criminal litigation shall not be compensated, and the employee must arrange for time off without pay and/or use accrued VACATION or personal leave for such appearances.

Disability

Employees with disabilities may be eligible for unpaid leave. Employees seeking unpaid leave as an accommodation to a disability must consult with Human Resources.

Bereavement

Sutton Transport will pay up to five (5) consecutive business days of paid time off in the event of death for immediate family members. These include:

- Parents and Stepparents
- Children and Stepchildren
- Brothers and Sisters
- Stepbrothers and Stepsisters

Sutton Transport will pay for one (1) day of paid time off in the event of death for non-immediate family members. These include:

- Aunts and Uncles
- Cousins
- Nieces and Nephews
- Grandparents or Step-grandparents

No other paid bereavement will be allowed outside of this policy. If you are attending a funeral for a non-relative, you are welcome to utilize vacation or take unpaid time away. All bereavement will need to be verified by the Corporate Human Resources Department by simply providing an obituary or a card from the funeral service.

Family Medical Leave

Wisconsin employees: Child rearing, family member medical leave, employee medical leave, and certain military leaves are available to employees as specified in the attached FMLA policy at Appendix A. The intent of this Policy is to comply with both the Wisconsin and federal Family and Medical Leave Acts.

Employees outside of Wisconsin: If you live in a state other than Wisconsin, you are only eligible for federal Family Medical leave if you are working in a location where at least 50 other employees work within a 75-mile radius. However, you may be eligible for leave under state law. If you have questions about the leave available for you, contact the Human Resources Department.

See **Appendix A** at the end of this Employee Handbook for a detailed version of our Family Medical Leave policies.

SICK DAYS

Sick days are provided for regular, full-time employees after a 90-day waiting period from date of hire. Our company sick days policy is not intended to be used as a substitute for vacation days, but instead for employees who become sick and need to be absent from work.

Sick Days Allocation

- Five (5) Sicks Days per calendar year.
- Allocation is on January 1 of each year.
- 2 days are paid
- 3 days are unpaid

Employee Eligibility

- Full-time employees
- 90-day waiting period from hire date
- Can begin using your sick days on your 91st day of employment.

NOTE: 1) Paid sick days will be allocated first and before unpaid sick days
2) Unused sick days may not be carried over into the new calendar year.

CODES OF CONDUCT - WORK RULES – CORRECTIVE ACTION

CODE OF CONDUCT

We conduct our business with honesty, integrity and openness, and with respect for interests of our employees, customers and vendors. We shall similarly respect the legitimate interests of those with whom we have relationships.

When people work together, certain standards of reasonable conduct need to be established in order to maintain an orderly and efficient work atmosphere. We expect employees to conduct themselves in a responsible, professional, and ethical manner. This includes, but is not limited to, the following behavior:

- Show uncompromising honesty and integrity in all work activities and relationships;
- Avoid conflicts of interest between work and personal life;
- Respect the dignity and worth of all individuals; employees, customers and vendors.
- Encourage individual initiative;
- We strive to make every customer's experience pleasant and fulfilling;
- Promote a culture where fairness, respect, and personal accountability are valued, encouraged, and recognized;
- Create a safe workplace.

Report Code of Conduct violations to your supervisor or any other member of management. Reported activities will be investigated and the appropriate means for proper resolution will be determined. Employees found to be conducting themselves in an unethical manner may be subject to appropriate corrective action, up to and including termination.

WORK RULES

Corrective discipline is not intended to inflict punishment. The Company wants to take measures which are designed to correct whatever problem the employee has and to make the employee aware of the importance of adhering to our operating policies and procedures. In some cases, it may be necessary to dismiss an employee because of the seriousness or continuation of unacceptable conduct. The Company will attempt to administer discipline on a fair and equal basis to all employees. The following types of conduct are unacceptable in our workplace. Because it is impossible to list every conceivable infraction, these guidelines can be amended by the Company within its total discretion.

This list is not all-inclusive, but simply provides examples of conduct that may result in discipline up to and including termination.

- Theft or misappropriation of Company or employee property or any form of dishonesty.
- Falsifying records or information.
- Intentionally punching another employee's time card or falsifying a time card.
- Refusal to follow the direct order of a supervisor or management.
- Fighting, immoral conduct, threats, intimidation or harassment of customers or employees
- Use or possession of drugs or alcoholic beverages on Company premises or off Company premises while on duty.
- Reporting to work under the influence of drugs or alcohol beverages.
- Possession of weapons or firearms on Company premises.
- No stopping at personal residence while operating company vehicles.
- Excessive absenteeism.
- Failure to report absence.
- Habitual tardiness.
- Absent two consecutive days without notice.

- Working another job while absent.
- Leaving the job without permission.
- Excessive time at break periods.
- Engaging in conduct or activities which serve to lengthen the healing period for a work-related injury.
- Disclosing of confidential company information.
- Gambling on Company premises.
- Sleeping on the job.
- Destruction or defacing of company or employee property or equipment.
- Misuse or unauthorized use of Company property.
- Unauthorized solicitations or distributions
- Failure to promptly report defective equipment or safety hazard.
- Failure to report injury or accident immediately.
- Horseplay or violation of safety rules.
- Substandard quality and quantity of work, including deliberate reduction of output.
- Smoking or eating in unauthorized areas.
- Engaging in conduct which creates an unsafe work environment.
- Undesirable appearance.
- Discourteous treatment of customers or the use of profanity or threatening language.
- Inappropriate uniform.
- Discourteous treatment of customers and/or colleagues and/or other employees.
- The use of profanity or threatening language.
- Urinating in public
- Refusal to sign a *Performance Correction Notice* form.
- Failure to follow *Sutton Transport* policies and procedures

CORRECTIVE ACTION

The Company's corrective action program is designed to encourage individuals to become satisfactory employees rather than punish them. Employees may be subject to corrective action for many reasons, including performance failure, misconduct, inappropriate behavior, and failure to comply with company policies, including the Code of Conduct and other policies outlined above.

Corrective action may take the form of: (1) verbal warning; (2) written warning; (3) suspension; (4) final written warning and/or (5) termination. Based on the severity of the incident, as determined by management, the verbal warning, written warning, suspension and/or final written warning may be bypassed and the employee terminated. The Company reserves the right to add to, modify or eliminate any rule when circumstances require a change.

APPENDIX A

SUTTON TRANSPORT

WISCONSIN AND FEDERAL

FAMILY AND MEDICAL LEAVE POLICY

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FAMILY AND MEDICAL LEAVE POLICY

Child rearing, family illness, employee medical leave, and military call-to-duty and military caregiver leave are available to employees as specified below. The intent of this Policy is to comply with both the Wisconsin and federal Family and Medical Leave Acts. Should this policy conflict in any way with the applicable federal and state statutes or regulations, the statutes, or regulations shall control.

I. Eligibility.

Federal--To be eligible for the federal leave discussed below, the employee must have worked for the Company for twelve (12) months and worked at least one thousand two hundred fifty (1,250) hours in the last twelve (12) month period. The employee must also work at a worksite where fifty (50) or more employees are employed with seventy-five (75) miles of that worksite.

Wisconsin--Employees who have been employed by the Company for one (1) year and who have worked one thousand (1,000) hours during the preceding fifty two (52) weeks are eligible for the leaves provided under Wisconsin law. For leave available under state law, paid time off counts as hours worked.

This policy assumes that an employee is eligible for both federal and state leaves. This may not always be the case. Employees are to submit written requests for leave in all cases so that the Company may make an eligibility determination.

II. Length of Leave.

The federal Family and Medical Leave Law provides a combined total of twelve (12) weeks of family and medical leave for various purposes described below in a twelve (12) month period and an additional fourteen (14) weeks of military caregiver leave. For purposes of the federal law, the twelve (12) month period measure backward from the date an employee uses any family/medical leave as described below.

Wisconsin law provides six (6) weeks of child-rearing leave, two (2) weeks of family illness leave, and two (2) weeks of employee medical leave in a calendar year.

Wisconsin, federal, and Company leaves provided for the same purposes run concurrently; that is, they do not "stack." If the leave is a Company provided leave, plus federal and state FMLA leave as well, the leaves run concurrently. For example, an absence for a work or non-work related illness or injury that qualifies as employee sick leave is also deducted from an employee's FMLA leave entitlements under the state and federal laws if the medical condition qualifies as a "serious health condition" under those laws.

III. Notice of Eligibility For and Designation of FMLA Leave.

Employees requesting FMLA leave are entitled to receive written notice from the Company telling them whether they are eligible for FMLA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA leave, employees are entitled to receive written notice of: (1) their rights and responsibilities in connection with such leave; (2) the Company's designation of leave as FMLA qualifying or non-qualifying, and if not FMLA qualifying, the reasons why; and (3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

The Company may retroactively designate leave as FMLA leave with appropriate written notice to employees provided the Company's failure to designate leave as FMLA qualifying at an earlier date did not cause harm or injury to the employee. In all cases where leaves qualify for FMLA protection, the Company and employee can mutually agree that leave be retroactively designated as FMLA leave.

IV. Employee FMLA Leave Obligations.

A. Notice of the Need for Leave

Employees who take FMLA leave must timely notify the Company of their need for FMLA leave. Employees should request FMLA leave in writing whenever possible. The following describes the content and timing of such employee notices.

1. Content of Employee Notice.

To trigger FMLA leave protections, employees must inform the Company of the need for FMLA qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA leave specifically, or explaining the reasons for leave so as to allow the Company to determine that the leave is FMLA qualifying. For example, employees might explain that:

- A specific medical condition renders them unable to perform the functions of their job;
- They or a covered family member are under the continuing care of a health care provider for a specific medical condition;
- A specific medical condition renders the family member unable to perform daily activities or that the family member is a covered servicemember with a serious injury or illness incurred in the line of duty;
- They are pregnant or have been hospitalized overnight; or
- The leave is due to a qualifying exigency caused by a covered military member being on active duty or called to active duty.

Calling in "sick," without providing the reasons for the needed leave, will NOT be considered sufficient notice for FMLA leave.

Employees must respond to the Company's questions to determine if absences are potentially FMLA qualifying. If an employee fails to explain the reasons for FMLA leave, the leave may be denied. When an employee seeks leave due to FMLA-qualifying reasons for which the Company has previously provided FMLA-protected leave, he or she must specifically reference the qualifying reason for the leave or the need for FMLA leave.

2. Timing of Employee Notice.

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide the Company with notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give 30 days notice for foreseeable leave, without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied.

V. Childbirth/Adoption Leave.

- ##### A. Purpose: Unpaid child rearing leave may normally be used within sixteen (16) weeks prior to, or within twelve (12) months following:

1. The birth of the employee's natural child; or
 2. The placement of a child with the employee for adoption or as a precondition to adoption under section 48.90(2) of the Wisconsin Statutes, but not both; or
 3. The placement of a child with the employee for twenty-four (24) hour foster care that is made by or with agreement of a government agency.
- B. Length of Child Rearing Leave: No employee may take more than twelve (12) weeks of federal child rearing leave in a twelve (12) month period. In addition, no more than twelve (12) weeks leave can be taken for the birth of any one child. If both the mother and father of a child are employed by the Company, and they both desire child rearing leave, they are generally only entitled to a combined total leave of twelve (12) weeks. Child-rearing leave provided under federal law runs concurrently with the six (6) weeks of child-rearing leave provided under Wisconsin law.
- C. Intermittent/Partial Leave Absences.
- For the first six (6) weeks of leave within sixteen (16) weeks prior to or after the child-rearing event (e.g., birth of child), an employee may take child rearing leave as an intermittent or as a partial absence from employment in increments of less than their full normal work day. An employee who does so shall schedule the intermittent or partial absence so it does not unduly disrupt the Company's operations. To comply with this requirement, an employee is to provide the Company, in writing, with the employee's proposed schedule of intermittent or partial absences no less than one (1) week before the schedule of absences is to commence. The schedule must be of a sufficient definiteness that the Company is able to schedule replacement employees, if necessary, to cover the absences. Partial or intermittent leave must commence within sixteen (16) weeks before or after the birth, adoption, or foster placement of a child. Leave cannot be taken intermittently or as a partial absence before or beyond sixteen (16) weeks of the event, unless previously approved in advance. Rather, any remaining child-rearing leave must be taken in a single block.
- D. Scheduling Child Rearing Leave: An employee is expected to submit a written request for child rearing leave no less than thirty (30) calendar days before the leave is to commence and must schedule the leave after reasonably considering the Company's needs. If the date of the birth, adoption, or foster care placement requires leave to begin sooner, the employee shall provide notice as soon as practicable.

VI. Family Illness Leave.

- A. Purpose: Unpaid family illness leave may be used to care for the employee's spouse, child, parents, or spouse's parent (i.e., parent-in-law), or domestic partner as defined by law or a domestic partner's parent as defined by law, who have a serious health condition.
- B. Length of Family Illness Leave: No employee may take more than a total of twelve (12) weeks of federal family illness leave for the employee's spouse, child, or parents in a twelve (12) month period. Wisconsin provides a total of two (2) weeks of family illness leave for these same purposes. The two (2) weeks of family illness leave provided under Wisconsin law in a calendar year for these same purposes runs concurrently with the federal leave.

As part of the two (2) weeks of family illness leave provided under Wisconsin law, an employee may take up to two (2) weeks of leave to care for a spouse's parent (i.e., a

parent-in-law), a domestic partner, or a domestic partner's parent who has a serious health condition, in addition to the twelve (12) weeks of federal FMLA leave. Use of family illness leave under state law for parent-in-law and/or for domestic partner purposes reduces an employee's two (2) week family illness leave entitlement provided under state law for other purposes (i.e., to care for spouse, parent, or child); however, it does not reduce the employee's twelve (12) week federal leave entitlement.

VII. Employee Medical Leave.

- A. Purpose: Unpaid medical leave may be used by an employee who has a serious health condition which renders the employee unable to perform his or her job duties.
- B. Length of Medical Leave: No employee may take more than twelve (12) weeks of federal employee medical leave in a twelve (12) month period. This leave generally runs concurrently with the two (2) weeks of employee medical leave provided under state law in a calendar year.

VIII. Military Call to Duty Leave.

- A. Purpose: Federal unpaid call-to-duty leave may be used as a result of a qualifying exigency arising from an employee's spouse, son, daughter or parent being on covered active duty or having been notified of an impending call or order to cover active duty status in the Regular Armed Forces, National Guard, or Reserves in support of a contingency operation. Covered active duty requires deployment to a foreign country.

Qualifying exigencies may include attending certain military events, arranging for alternative child-care, addressing certain financial and legal arrangements, attending certain counseling sessions, rest and recuperation, attending post-deployment reintegration briefings, and parental care to care for a military member's parent who is incapable of self-care when care is necessitated by covered active duty.

- B. Length of Leave: An eligible employee is entitled to twelve (12) weeks of call-to-duty leave in a twelve (12) month period. The twelve (12) weeks is part of the twelve (12) weeks provided under federal law for other purposes as described above. Employee's requesting leave for Rest and Recuperation qualifying exigency leave may take up to fifteen (15) calendar days.

IX. Injured/III Servicemember Caregiver Leave.

- A. Purpose: In addition to the basic FMLA leave entitlements discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered servicemember or recent veteran is entitled to take up 26 weeks of military caregiver leave during a single 12-month period to care for the servicemember or recent veteran with a serious injury or illness incurred in the line of duty.

A "covered servicemember" means a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list for serious injury or illness, and including covered veterans who are undergoing medical treatment, recuperation, or therapy, for a serious injury or illness. A serious injury or illness includes injuries or illnesses that existed before the beginning of the member's active duty and were aggravated by service in the line of duty on active duty in the Armed Forces. Additionally, a member of the Armed Forces would have a serious injury or illness if he/she has incurred an injury or illness in the line of duty while on active duty in the Armed Forces provided that the injury or illness renders the servicemember medically unfit to perform duties of the member's office, grade, rank or rating.

A “covered veteran” means a member of the Armed Forces who has been discharged within the five-year period before the eligible employee first takes FMLA military caregiver leave. A covered veteran of the Armed Forces would have a serious injury or illness if he/she incurred or aggravated the injury or illness in the line of duty on active duty in the Armed Forces and the injury or illness manifested itself before or after the member became a veteran and is:

1. A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the servicemember unable to perform the duties of the servicemember’s office, grade, rank, or rating; OR
2. A physical or mental condition for which the covered veteran has received a VA Service Related Disability Rating (VASRD) of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; OR
3. A physical or mental condition that substantially impairs the veteran’s ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would do so absent treatment; OR
4. An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

“Next of kin” of a covered servicemember means the nearest blood relative other than the covered servicemember’s spouse, parent, son, or daughter, in the following order of priority: Blood relatives who have been granted legal custody of the covered servicemember by court decree or statutory provisions; brothers and sisters; grandparents; aunts and uncles; and first cousins; unless the covered servicemember has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of military caregiver leave under the FMLA. When no such designation is made, and there are multiple family members with the same level of relationship to the covered servicemember, all such family members shall be considered the covered servicemember’s next of kin and may take FMLA leave to provide care to the covered servicemember, either consecutively or simultaneously. When such designation has been made, the designated individual shall be deemed to be the covered servicemember’s only next of kin.

- B. Length of Leave: Leave to care for a servicemember shall only be available during a single 12-month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. For purposes of military caregiver leave, the single 12-month period begins on the first day an eligible employee takes leave to care for the injured servicemember. A separate caregiver leave can be taken for each covered servicemember and/or for each new injury/illness.

X. Scheduling Family Illness/Employee Medical/and Military Caregiver Leave.

- A. Medical Necessity: An employee may schedule family illness, employee medical, or military caregiver leave as medically necessary. An employee must consider the needs of the Company when scheduling leave. When medically necessary, an employee may take the leave as an intermittent or as a partial absence from employment in increments of less than their full normal work day. The lowest increment may be the lowest increment that the Company permits for any other type of leave, paid or unpaid. An employee who does so shall schedule the intermittent or partial absence so it does not unduly disrupt the Company’s operations. To comply with this requirement, an employee

is to provide the Company, in writing, with the employee's proposed schedule of partial absences as soon as possible after the employee learns of the probable necessity of such leave.

- B. Planned Treatment: When planning medical treatment, employees must consult with the Company and make a reasonable effort to schedule treatment so as not to unduly disrupt the Company's operations, subject to the approval of the health care provider. Employees should consult with the Company prior to the scheduling of treatment to work out a treatment schedule that best suits the needs of both the Company and the employee, subject to the approval of the health care provider. If an employee providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglects to fulfill this obligation, the Company may require the employee to attempt to make such arrangements, subject to the approval of the health care provider.
- C. Intermittent/Reduced Schedule Leave: When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, employees must, upon request, advise the Company of the reason why such leave is medically necessary. In such instances, the Company and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting the Company's operations, subject to the approval of the health care provider.

XI. Serious Health Condition/Medical Certification Supporting Need for Leave.

- A. Submission of Certifications: Depending on the nature of FMLA leave sought, employees may be required to submit medical certifications establishing that a "serious health condition" (described below) is involved and supporting their need for FMLA leave. As described below, there generally are three types of FMLA medical certifications: an initial certification, a recertification, and a return to work/fitness for duty certification.

It is the employee's responsibility to provide the Company with timely, complete and sufficient medical certifications. Whenever the Company requests an employee to provide a FMLA medical certification, the employee must provide the requested certification within 15 calendar days after the Company's request, unless it is not practicable to do so despite the employee's diligent, good faith, efforts. The Company shall inform the employee if a submitted medical certification is incomplete or insufficient and provide the employee with at least seven calendar days to cure deficiencies. The Company may deny FMLA leave to an employee who fails to timely cure deficiencies or otherwise fails to timely submit requested medical certifications.

With the employee's permission, the Company (through individuals other than an employee's direct supervisor) may contact the employee's health care provider to authenticate or clarify medical certifications. If an employee chooses not to provide the Company with authorization allowing it to clarify or authenticate a certification with a health care provider, the Company may deny FMLA leave if the certification is unclear and a serious health condition cannot be verified.

Whenever the Company deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient FMLA medical certifications.

- B. Types of Certifications.

- 1. Initial Medical Certifications.

Employees requesting leave because of their own, or a covered relative's, serious health condition, or to care for a covered service member, must supply a medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family or

service member. If an employee provides at least 30 days notice of medical leave, he or she should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

A “serious health condition” is considered to be a disabling physical or mental illness, injury, impairment, or condition involving any of the following:

- a. Inpatient care in a hospital, nursing home, hospice, or residential medical facility; or
- b. Outpatient care that requires continuing treatment or supervision by a health care provider.

The federal FMLA leave includes a more detailed and expansive definition of a “serious health condition” described in the medical certification form, which is provided to an employee if the employee is required to submit a medical certification form from his/her physician, certifying that a “serious health condition” within the meaning of law is involved.

If the Company has reason to doubt an initial medical certification, it may require an employee to obtain a second opinion at the Company’s expense. If the opinions of the initial and second health care providers differ, the Company may, at its expense, require an employee to obtain a third, final and binding, certification from a health care provider designated or approved jointly by the Company and the employee.

2. Medical Recertification

Depending on the circumstances and duration of FMLA leave, the Company may require an employee to provide a recertification of a medical condition giving rise to the need for leave. The Company will notify the employee if recertification is required and will give the employee at least 15 calendar days to provide medical recertification.

3. Return to Work/Fitness for Duty Medical Certifications.

An employee returning to work from FMLA leave that was taken because of the employee’s own serious health condition that made the employee unable to perform his/her job duties must provide the Company with a medical certification confirming the employee is able to return to work and the employee’s ability to perform the essential functions of the employee’s position. The Company may delay and/or deny job restoration until an employee provides a requested return to work/fitness-for-duty certification.

C. Certifications Supporting Need for Military Family Leave.

Upon request, the first time an employee seeks leave due to a qualifying exigency arising out of the active duty or call to active duty status of a covered military member, the Company may require the employee to provide: (1) a copy of the covered military member’s active duty orders or other documentation issued by the military indicating the covered military member is on active duty or called to active duty status and the dates of the covered military member’s active duty service; and (2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. An employee shall provide a copy of new active duty orders or other documentation issued by the military for qualifying exigency leaves arising out of a

different active duty or call to active duty status of the same or a different covered military member.

When leave is taken to care for a covered service member with a serious injury or illness, the Company may require the employee to obtain certifications completed by an authorized health care provider of the covered service member. In addition, the Company may request that the certification submitted by the employee set forth additional information provided by the employee and/or the covered service member confirming entitlement to such leave.

XII. Using Paid Leave While on Unpaid FMLA Leave.

Wisconsin FMLA - While on Wisconsin FMLA leave (including when running concurrently with federal FMLA leave), an employee must use all vacation hours for time away in the beginning of the leave. All other time away after vacation is exhausted is unpaid.

Federal FMLA - When solely utilizing federal FMLA leave, an employee must utilize accrued vacation hours while on any type of FMLA leave. The employee must elect, or the Company may require, the use of accrued sick leave while the employee is on FMLA employee medical leave. However, an employee's use of Company provided paid leave must comply with the terms and conditions of the Company's paid leave policy.

The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leave - the paid time runs concurrently with an employee's FMLA entitlement.

Leaves of absence taken in connection with a paid or unpaid disability leave plan or worker's compensation injury/illness run concurrently with any FMLA leave entitlement. Upon written request, the Company may allow employees to use accrued paid time to supplement any paid disability or worker's compensation benefits.

XIII. Insurance and Benefits.

A. Payment of Premiums.

While an employee is on FMLA leave, the Company will maintain group health insurance coverage under the conditions that applied before the leave began. If prior to the leave, the employee was required to participate in the premium payments, the employee is required to continue with payment of his/her share of the premiums while on leave. An employee's failure to make the required payments may result in termination of the employee's insurance coverage.

Unless the Company notifies employees of other arrangements, whenever employees are receiving pay from the Company during FMLA leave, the Company will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working. If FMLA leave is unpaid, employees must pay their portion of the group health premium through a method determined by the Company.

B. Termination of Benefits.

The Company's obligation to maintain health benefits will stop if and when: (1) an employee informs the Company of intent not to return to work at the end of the leave period; (2) the employee fails to return to work when the leave entitlement is used up; or (3) the employee fails to make any required payments while on leave after appropriate waiting periods and time periods as specified by law. The Company's obligation to maintain health care coverage ceases if an employee's premium payment is more than 30 days late. If an employee's payment is more than 15 days late, the Company will

send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date.

C. Recovery of Premium Payments.

If the Company chooses to do so, it may pay an employee's required premium payments while the employee is on leave. If the Company does so and an employee does not immediately repay the Company upon the employee's return to work, the Company will deduct the amount of the payments from the employee's paycheck.

Also, the Company has the right to collect from an employee the health insurance premiums the Company paid during a period of unpaid leave if the employee does not return to work after the leave entitlement has been exhausted or expired. Such premium amounts may be deducted from any compensation owed to the employee upon termination of employment. An employee must return to work for at least thirty (30) calendar days in order to be considered to have "returned" to work. However, an employee's liability to repay health insurance premiums does not apply if his/her failure to return to work is due to a serious health condition or specific circumstances beyond the control of the employee.

XIV. Return From Leave.

An employee returning from family and/or medical leave can return to his or her old position, if vacant, at the time the employee returns to work. If the position is no longer vacant, the employee may be offered an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. The determination as to how an employee is to be restored to "an equivalent position" upon return from FMLA leave is made on the basis of established policies and practices, and provisions of the federal FMLA.

XV. Outside Employment.

An employee who is solely utilizing federal FMLA leave (i.e., Wisconsin FMLA leave has been exhausted) is prohibited from working for another employer while on federal FMLA leave.

Employees should contact Human Resources or any member of Management regarding this policy.

**ACKNOWLEDGEMENT OF RECEIPT AND UNDERSTANDING
OF THE *SUTTON TRANSPORT, INC.***

EMPLOYEE HANDBOOK

I have received a copy of the *Sutton Transport, Inc.*'s Handbook. I understand that this revision supersedes all other copies of *Sutton Transport, Inc.*'s handbook and I will destroy all other versions.

I know that I must understand the information contained in the handbook so that I may comprehend my rights and responsibilities as an employee of *Sutton Transport, Inc.* I also know that if I have any questions concerning any of this information, I am to talk with my supervisor or another member of management.

I understand that the handbook is not an employment contract, but it is an explanation of *Sutton Transport, Inc.*'s policies and procedures. I realize that *Sutton Transport, Inc.* may interpret, clarify, revise, and/or deviate from the procedures set forth in this handbook. I also realize the employment relationship between *Sutton Transport, Inc.* and me is terminable at will by either party and that nothing in this handbook creates additional rights or provides a basis for me to believe my employment is not terminable at will.

My signature on this form indicates that I agree to abide to all terms and provisions designated in the Employee Handbook and will comply with those policies and procedures as they are written and as they may be modified from time to time. I understand that if I fail to follow the policies in this Handbook that I can be terminated from employment.

I understand that *Sutton Transport, Inc.* reserves the right to access, monitor, and retrieve emails, voicemails, computer files, Internet records, and any other information contained on or within *Sutton Transport, Inc.*'s computer system at any time at *Sutton Transport, Inc.*'s sole discretion and I have no expectation of privacy regarding my use of this electronic data.

Employee Signature

Date