

Employee Handbook

Updated February 2014

LEAVITT'S FREIGHT SERVICE

February 4, 2014

Welcome to Leavitt's Freight Service

We are pleased to have you as an employee. We hope you will find the work interesting, challenging, and rewarding. You are encouraged to ask questions freely of your managers and co-workers. Well-informed employees are our greatest resource and we look forward to your contributions to our company.

Three brothers, Doug, Dean, and Dewey Leavitt established Leavitt's Freight Service in 1958. The Company was founded on two philosophies: **integrity** – an honest day's work for an honest day's pay, and **premium service** – *working to exceed our customers' expectations*.

Leavitt's began providing transportation service to two primary industries: treated wood poles and laminated beams. Through hard work and perseverance, the original brothers established Leavitt's Freight Service as the most competent and reliable Oregon carrier trucking these commodities.

In the late 1950's and early 1960's, they pioneered the use of a chain driven boom to unload telephone and power poles at customers' yards and at job sites. They were also among the first to utilize steer trailers to move over-length loads. Both of these services are still offered and comprise the current backbone of the company. These innovations helped the company to outgrow its original facility leading to a move in 1967 to our current seven-acre location.

During the 70's Leavitt's moved literally thousands of loads of laminated beams into California. Like many other suppliers to the construction industry, we took part in the building of Silicon Valley and the expansion of the LA basin. Although our primary market was California, Leavitt's also provided service throughout the eleven Western States.

Prior to the deregulation of the trucking industry in 1980, the Company operated as a contract carrier with authority to haul out of Oregon and Washington. With deregulation, Leavitt's secured its common carrier authority and began to develop a much broader customer base. The 80's brought a new level of competition to our industry through which the Company continued to grow.

In the early 90's, the founding brothers retired and sold the business to two of the sons, Terry Leavitt (son of Doug Leavitt) and Duane Leavitt (son of Dewey Leavitt). In 1998, in recognition of his longtime contributions and value to the company's growth and direction, Ron Riddle was brought into the ownership of Leavitt's.

Since 1994, the company fleet has continued to grow and an Owner/Operator package was introduced late in 1997. Our service territory has expanded into the Midwest and East Coast, as well as most of the Canadian Provinces. The Company remains the West Coast industry leader for the transportation and self-unloading service of over-length wood poles as well as a primary carrier of steel and engineered wood products.

In the challenging environment of the 21st century, Leavitt's remains focused on successfully serving our customers, attracting and retaining professional drivers, and maintaining an outstanding safety record. In the face of fluctuating fuel prices, rising insurance costs, increasing regulations, and continuing driver shortages, we are strengthening the Company's marketing position through an emphasis on safety, innovation, and dedication.

Since our start, we remain faithfully committed to operating the business with integrity and providing a premium service to all of our customers and employees.

On behalf of everyone at Leavitt's, we extend you a sincere "welcome aboard". *Your contribution to the company is vital to the continued success of our organization.*

Purpose of the Employee Handbook

The Leavitt's Freight Service Employee Handbook has been prepared to provide you with information and general guidelines on what the company expects from you and what you can expect from the company. The manual is designed to inform you of our policies and procedures relating to compensation, safety, attendance, employee benefits and other important job-related information. We realize that we cannot answer every question in this format, so as questions arise, please ask the appropriate personnel, your supervisor, or any manager.

The policies in this manual are applicable in most situations, but Leavitt's reserves the right to interpret these policies and to evaluate and make the personnel decisions it considers to be the most appropriate under the circumstances. This manual is not, therefore, intended to be (nor should it be considered by you to be) a contract of employment.

Effective Date

The policies contained herein become effective February 10th, 2014. This manual supersedes all previous statements, memos, policies, and practices that are in conflict with its provisions.

Changes in Policy

Since our business is in constant change, we expressly reserve the right to change any of the policies or procedures, including those covered herein, at any time. We will notify you of these changes by memorandum or other appropriate means. Changes will be effective on dates determined by the company. Should any employee fail to understand the contents of a company policy or procedure, it is the employee's responsibility to seek clarification.

At-Will Employment

Leavitt's Freight Service is an "employment at will" company. This means that either the employer or the employee can terminate the employment relationship at any time with or without notice and with or without cause.

This policy manual is neither a contract nor a guarantee of continued employment, but will be used by the company as a guideline only. Leavitt's Freight Service reserves the right to deviate from this policy manual and use its discretion in making all employment decisions.

Equal Opportunity

Leavitt's Freight Service is an equal opportunity employer and does not discriminate on the basis of race, religion, color, sex, age, national origin, disability, veteran status, or any other classification protected by law. Additionally, Leavitt's Freight Service makes reasonable accommodation for qualified individuals with disabilities unless it would be an undue hardship.

Confidentiality

Respect for confidential information is good business ethics and good sense. It is our company policy to carefully maintain confidentiality with respect to all employee information and records. Employees have a similar responsibility to carefully maintain confidentiality concerning the Company's systems, programs, procedures, files, techniques, relationships with customers and suppliers, methods of operation, financial data and any other information the Company regards as confidential. Unauthorized releases of confidential information will not be tolerated.

Open Door Policy

The company maintains an "open door" directly to management with regard to all work-related issues. In any group of people, honest differences of opinion or questions of policy may arise. If there is an issue that needs resolution, or if there is a concern about the correct application of policy, all employees are encouraged to bring it to the attention of management.

When an employee disagrees with what their supervisor says or does, they should tell him or her. If that does not satisfactorily clarify or resolve the issue, or it is a matter that cannot, by its nature, be discussed with their supervisor, the employee is encouraged to bring the situation to the attention of any other manager.

Discussion is encouraged. However, when a management decision is final, employees should give their complete support.

PAY PRACTICES AND HOURS WORKED

Definitions of Employment Status

Since certain benefits described in this handbook may differ depending on employment status, the following terms will be used to describe the classification of employees and their employment status.

Office and Shop Employees

1. Regular Full-time Employees – scheduled to work at least 30 hours per week on a continuing basis.
2. Regular Part-time Employees – scheduled to work fewer than 30 hours per week on a continuing basis.

Drivers

1. Regular Full-time Employees – scheduled to drive for us more than an average of 6,500 miles per month on a continuous basis. If driving by the hour, scheduled to drive for us at least 30 hours per week.
2. Regular Part-time Employees – scheduled to drive for us less than an average of 6,500 miles per month or less than 30 hours per week.
3. Seasonal Employees – employees whose employment is intended to be on a seasonal or occasional basis for less than a full year.

Examples: 1) Drivers whose main employer is not Leavitt's, but who drive for us occasionally as their schedules permit. 2) Drivers who work for us as full-time employees and do so for only a part of the year.

Notification Requirements

The company is required to maintain accurate employee records for purposes of payroll and benefits administration. Employees are required to notify the Payroll Administrator and/or the HR Generalist promptly whenever there is a change in an employee's:

- Name
- Mailing address (and physical address, if different)
- Telephone number and cell phone number (if any)
- Person to notify in case of emergency
- Marital status
- Number of dependants
- Life insurance or 401K beneficiary
- Military status

Paydays

Payroll is paid on a biweekly (every two weeks) schedule. There are 26 paydays in a calendar year. Pay weeks run from Sunday through Saturday, and the payday for each two-week pay period is the following Friday.

Load sheets must be turned in EVERY Monday. Hourly Office and Shop employees are required to use the time clock to clock in and out every day.

Please note that there is a lot of work involved in processing the Company's payroll. To get the job done, the Payroll Administrator must have your load sheets turned in each Monday for the previous week in order to meet the payroll deadlines. *We will not be able to hold up the Company's payroll to wait for late load sheets.*

Drivers: There are four methods of getting your load sheets in on time.

1. Turn them into the office with the rest of your paperwork.
2. Drop them in the after-hours box in the shop door.
3. Fax them into the office anytime day or night – Fax # 1-541-747-1456.
4. Send them in electronically through email to loadslips@leavitts.com. An electronic copy is available to you at your request.

Please do not FedEx your load sheets, or send them in through TripPak. They will not arrive in time to make the payroll.

Distribution of Paychecks:

The nature of our business is that many of our employees are offsite. These are the options available for receiving your paycheck:

1. You may pick up your check on payday.
2. You may sign up for Direct Deposit of your paycheck. (See below)
3. We will give your check to someone you have authorized to pick it up. (You will need to fill out an authorization form.)
4. We will put your paycheck in your box after 4:00 PM on payday.
5. We will mail your check at your request.

Please note that if you request that your check be mailed, Leavitt's is NOT responsible for delays in delivery by the Post Office. The Post Office has sometimes taken up to a week to deliver mail (especially during the holidays). Because of this, Leavitt's does not stop payment and issue a replacement check until at least six (6) mailing days have passed.

Direct Deposit

Direct deposit of payroll checks is available. Each employee who chooses to sign up to have their payroll check automatically deposited to their personal bank account will need to provide us with a voided check from the account to which you want to have your payroll check deposited. We can electronically deposit your payroll check to ANY bank where you have an account.

The first payday after you sign up, we transmit a test file of your pay information while you still receive a paper paycheck. After that test file is confirmed to have processed correctly, all future paychecks will be deposited into your account electronically in the early morning hours of each Friday payday. You still receive a paper copy of your check stub information each payday. An employee can choose to sign up at any time and can also choose to stop direct deposit at any time.

WHAT YOU CANNOT DO IS SWITCH BACK AND FORTH AT WILL.

Hours and Overtime for Non-Exempt Employees

Non-exempt employees are employees eligible for overtime under state and federal laws. Our normal workweek consists of 40 hours per week. Overtime is paid at one and one-half the regular hourly rate to non-exempt employees after they have worked more than 40 hours during the workweek (not after 8 hours in a day). For calculating overtime, hours worked excludes paid holidays, paid time off, jury duty, or any other leave time.

All overtime must be approved in advance by the employee's supervisor or manager. Disciplinary action may result when employees work unauthorized overtime. In addition, if you must leave work early for any reason, you must notify your supervisor or manager.

Non-exempt employees use the payroll vendor-provided time clock or the payroll vendor's web-based time keeping program during the workweek.

Lunch and Rest Periods

Employees who work an eight-hour workday are allowed two 10-minute rest breaks: one during the first half of the shift and one during the second half of the shift. Employees are *required* to take a minimum lunch break of one-half hour, but may choose to take an hour lunch break at the midpoint of any eight-hour workday.

Part-time employees will be given information on the rest breaks and lunch period appropriate to their work schedule by the HR Generalist.

EMPLOYEE BENEFITS

Medical and Dental Insurance

The company currently pays most or all of the cost of health insurance for all regular full-time employees, based on length of employment as follows:

New hires currently pay a small contribution per month toward their own medical and dental insurance.

At an employee's 2nd anniversary, Leavitt's reduces the employees portion for their own medical insurance. In addition, Leavitt's reduces by half the dental premium for the employee and the employee's family members enrolled on the dental plan.

At an employee's 5th anniversary, a majority of the cost of the employee's own medical and all of the dental insurance is paid for by the company and Leavitt's continues to pay half the employee's enrolled family member's dental premium.

SEASONAL AND PART-TIME EMPLOYEES ARE NOT ELIGIBLE FOR COVERAGE.

For all eligible employees, medical and dental insurance coverage will become effective the first day of the month following their date of hire.

Employees may elect to enroll their family members for medical and dental insurance. Information about the portion of the insurance premiums currently charged to employees for their dependent's medical and dental insurance is available upon eligibility. The employee's contribution, toward the cost of their own and their family member's medical and dental insurance, is paid for by the employee through payroll deductions.

Payroll deductions work as follows: One half of the total monthly insurance premiums are deducted from the employee's first paycheck in each month and the remaining balance is deducted from the second paycheck of the month. Because employees are paid bi-weekly, there are 26 paydays in the year, not 24. Two months in each year, there are 3 paydays in the month. When this occurs, there are no deductions for insurance premiums on that 3rd payday.

Unpaid premiums due to our inability to deduct the premiums on the payday they would normally be deducted will be made up in full on the employee's next regular payday.

125C Plan

The company maintains a 125C Premium Only Plan that enables employees to pay health-related insurance premiums with pre-tax dollars. Paying the premiums through a 125C plan provides considerable tax savings to our employees because contributions to a 125C plan are not subject to Social Security, Medicare or income taxes. When you

sign up yourself and your family members (if any) for medical or dental insurance coverage, you are eligible and are may choose to be enrolled into the 125C plan. IRS rules and regulations as well as the plan documents govern our 125C plan. All fees to manage and maintain this plan are paid by Leavitt's.

IRS Section 125 Pre-tax Provisions

Your 125C Plan deductions are “pre-tax” and are governed by the requirements of Section 125 of the Internal Revenue Code. Therefore, the election that you make is for the entire calendar year (plan year). A change of election shall be allowed during a Plan Year **ONLY** as a result of:

1. The occurrence of a qualifying change in status such as:
 - a) Marriage, divorce, legal separation, or death of spouse or dependent
 - b) Termination or commencement of employment status by the employee, spouse or dependent
 - c) Birth, adoption, or placement for adoption
 - d) Reduction or increase in hours of employment by the employee, spouse or dependent
 - e) Change in the place of residence or work by the employee, spouse or dependent
 - f) Dependent ceasing to satisfy the requirements for unmarried dependents
2. A judgment, decree or order resulting from a divorce, legal separation, annulment, change in legal custody (including a Qualified Medical Child Support Order).
3. Entitlement to Medicare or Medicaid of the employee, spouse or dependent.
4. Significant cost increases or significant changes to the Group Health Plan(s).
5. Annual “Open Enrollment” – offered in December and effective January 1st.
6. Special enrollment – under the Health Insurance Portability and Accountability Act of 1996 (HIPPA), you would also be able to make a change in your election(s) if you were to lose coverage under another health plan.
7. Change of coverage under another employer’s plan or loss of group coverage under a governmental or educational institution.
8. Approved FMLA leave

Should any of these events occur, the employee must complete the appropriate paperwork **within 30 days of the event.** If a change of election is not made within 30 days, an employee will not be able to alter their current election(s) until such time as a subsequent status change occurs or at the next annual open enrollment period.

Please note that these are IRS rules and that Leavitt's must and will comply with them.

401K Plan

The company maintains a 401K Plan that enables employees to set aside pre-tax dollars each payday to save for retirement. This provides considerable federal and state income tax savings to our employees in addition to enabling them to prepare for retirement. Our 401K plan is self-directed. Each employee chooses from the selection of investment options available within the plan and directs how their contributions to the 401K plan are to be invested. IRS rules and regulations and the plan documents govern our 401K plan. All fees to manage and maintain this plan are paid by Leavitt's. However, beginning January 1, 2006, the individual employee is responsible for any fees for withdrawals and distributions from the plan.

All employees are eligible to participate in the 401K plan on the first enrollment date that occurs after one year of employment. There are two enrollment dates each year, January 1st and July 1st. Newly eligible employees will be provided with an information packet and enrollment forms about 30 days in advance of the enrollment date.

Once an employee has become eligible to participate in the 401K Plan, changes can be made to the employee's enrollment elections at any time. Changes will become effective on the next paycheck after we receive the completed change form.

We have two ways available for employees to have their 401K contributions withheld:

1. Fixed Dollar Amount per payday taken out over all 26 paydays. (Example: \$100.00)
2. Fixed Percentage of Gross Pay taken out over all 26 paydays. (Example: 2%)

Personal Time Off (PTO)

Office and Shop Employees

Regular full-time employees earn company paid PTO for each full year worked. These benefits are as follows:

DATE	BENEFIT	DESCRIPTION
New hire, at hire date	40 hours	= 5 PTO days
1 st anniversary date	80 hours	= PTO days
2 nd , 3 rd , & 4 th Anniversary dates	120 hours	= PTO days
5 th and following anniversary dates	160 hours	= 20 PTO days

Permanent part-time employees receive pro-rated PTO benefits based on their expected normal work schedule. (For example, a permanent part-time employee who normally works 20 hours per week would receive half the benefit that is extended to the full-time employee.)

PTO benefits are earned and available for use on your hire date and subsequent anniversary dates. PTO can be used in a minimum of two (2) hour increments. If an employee has worked long enough to earn more than forty (40) hours of PTO, that employee may exercise the option to cash out PTO time in excess of forty (40) hours. A request to cash out benefits can be made anytime during the year. You will receive your PTO pay, as a separate check, along with your regular paycheck on the payday following your request. There is no carryover of unused time into the next year. Any earned but unused PTO hours will be cashed out on the next anniversary date, and issued on a separate check

PTO benefits do not accrue. Benefits are earned on the hire date and subsequent anniversary date of each full year of work and cannot be used or cashed out until it is earned. *Should your employment terminate for any reason, you will be paid for any PTO earned on your last anniversary date that has not been used or paid out in cash.*

Drivers

Regular full-time employees earn company paid vacation benefits for each full year worked. There are no paid sick or personal days. These benefits are as follows:

DATE	BENEFIT
1 st anniversary date	= 1 week (6 days)
2 nd , 3 rd , & 4 th anniversary dates	= 2 weeks (12 days)
5 th and following anniversary dates	= 3 weeks (18 days)
10 th and following anniversary dates	= 4 weeks (24 days)

Driver vacation pay is calculated based on earnings during the previous year. An employee's gross earnings for the prior twelve (12) months are divided by 52 and then multiplied by the number of weeks of vacation benefits the employee has earned.

Vacation benefits are paid in cash each year once you reach your anniversary date. You will receive your vacation pay, as a separate check, along with your regular paycheck on the payday for the pay period that your anniversary date falls in. *We will not cash out your vacation early, please don't ask.*

Vacation benefits do not accrue. Vacation pay is earned on the anniversary date of each full year of work and cannot be cashed out until it is earned. *Should your employment terminate for any reason prior to your next anniversary date, no vacation pay will be due to you.*

Time-off Requests

Employees should fill out a Time Off Request form to request vacation days, personal days, floating holidays and unpaid days off. Please submit requests to your supervisor as soon as possible. Ideally, we would like to receive notice 30 days in advance whenever possible. Such requests are subject to management's approval. Before granting time off requests, such factors as staffing needs, the employee's workload, other time off requests, and the needs of the company will be considered.

Paid Holidays

Drivers: There are no paid holidays.

Office and Shop: Paid holidays are as follows:

- New Year's Day
- Memorial Day
- Independence Day (4th of July)

- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving (Office only as our shop is open that day)
- Christmas Day
- Floating Holiday

Each calendar year each employee receives the benefit of a Floating Holiday. This is a paid holiday that the employee can use any time during the year. The Floating Holiday is a “use it or lose it” benefit. Unused benefits will not be cashed out or carried over.

THE HOLIDAY PAY BENEFIT IS ESTABLISHED AS EIGHT (8) HOURS OF PAY AT THE EMPLOYEE’S REGULAR PAY RATE. Each employee will receive holiday pay added to the check for the pay period that the holiday occurred in. Therefore, in a pay period where a paid holiday has occurred, the amount of each employee’s paycheck will include all the hours worked during the pay period and will include eight additional hours of holiday pay.

Part-time employees will receive holiday pay only for those holidays that fall on a day they are normally scheduled to work. Part-time employees will receive holiday pay only for the number of hours that they are regularly scheduled to work. (For example, a part-time employee regularly works Monday, Tuesday and Thursday for 6 hours each day. When Fourth of July falls on one of those days, that employee receives 6 hours of holiday pay.)

Family Medical Leave Policy

Employees who have worked for the company for 180 days and worked an average of 25 hours per week may be eligible for Oregon Family Leave. Employees who have worked for the company for 12 months and worked at least 1250 hours during the 12-month period may be eligible for Federal Family and Medical Leave. Both federal and state family medical leave provide up to 12 workweeks of protected leave during a leave year, in certain qualifying situations. Under specific situations both Federal and State family medical leave may provide additional workweeks of protected leave during a leave year. Eligible employees have reinstatement and/or reemployment rights after family medical leave has been taken.

Leave taken under the Federal Family and Medical Leave Act of 1993 (FMLA) and the Oregon Family Leave Act of 1995 (OFLA) is unpaid leave. Employees will be required to use paid leave, if any is available. Paid leave will be used in this order: PTO first, if any, and then the floating holiday, if any. Once all available paid leave has been used, the remainder of the leave period, if any, will be unpaid.

Qualifying circumstances under FMLA and OFLA vary slightly. Listed below is the breakdown outlining those circumstances.

Federal Medical and Family Leave

- For the birth and care of the newborn child of the employee
- For the placement with the employee of a son or daughter for adoption or foster care
- To care for an immediate family member (spouse, child or parent) with a serious health condition **or**
- To take medical leave when the employee is unable to work because of their own serious health condition.

Oregon Family Leave

- For the birth and care of the newborn child of the employee (“parental leave”)
- For the placement with the employee of a son or a daughter for adoption or foster care
- To care for a family member (spouse, parent, parent-in-law, biological, adopted, or foster child, and same sex domestic partner) with a serious health condition
- To take medical leave when the employee is unable to work because of a serious health condition **or**
- To care for a non-serious health condition of a child requiring home care (“sick child leave”)
- Beginning January 1, 2014 OFLA will also provide 1 week of bereavement leave for a covered entity per occurrence

Note: Parental leave can be taken intermittently and must be completed within 12 months of the date of birth of a newborn or placement of an adopted or foster child.

Eligible employees are entitled to 12 workweeks per leave year under FMLA and/or OFLA. Leavitt’s will adhere to all eligibility and leave time lines regulated by USSERA and the Military Family Leave Amendment, which may extend those leave entitlements. Sometimes more than one type of leave may apply to any one situation. Where allowed by the federal or state law, leaves will run concurrently.

Leavitt’s Freight Service uses a “**Rolling Forward Year**”. This means that for purposes of determining a 12-month leave year, the company measures forward from the particular employee’s first family leave.

Notification Requirements

Anticipated Leave	30 days written notice is required.
Leave Anticipated less than 30 days in advance	If 30 days notice is not possible, verbal or written notice is required within one to two days of when the need for leave is known.

Unanticipated or Emergency Situations	Employees are required to give verbal or written notice <u>as soon as possible</u> , and must give verbal or written notice within 48 hours of starting the leave.
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Notice may be provided by the employee or any other person providing information on the employee's behalf, such as a family member or friend.

Notice may be given to the HR Generalist or the Senior Risk Manager.

Medical Certification

Consistent with both FMLA and OFLA, Leavitt's may require medical certification when an employee requests leave for their own serious health condition or for the serious health condition of a family member. The employee will be notified in writing if medical certification will be required. Certification, if required, must be provided before leave begins when leave is foreseeable or within 15 days of employer's request for certification when leave was not foreseeable.

Continuance of Employee Benefits

While an employee is on FMLA leave, medical, dental and life insurance benefits will be maintained under the same conditions as applied before leave began. Employer-paid premiums will continue to be paid by the company and employee-paid premiums must continue to be paid by the employee. Information as to amounts and due dates will be provided to you. The HR Generalist or Payroll Administrator will help you establish a payment schedule so that these important benefits do not lapse.

Failure to make timely health premium contributions may result in the loss of coverage provided 15 days notice of the intention to halt coverage is provided. All employees are entitled to a grace period of 30 days when making payments.

An employee on OFLA only leave may have their medical, dental and life benefits terminated due to insurance rules. If that occurs, they will be sent COBRA papers to continue their coverage at their own expense.

An employee on FMLA and/or OFLA leave will not lose any benefits and will maintain seniority.

Returning to Work

Upon return from FMLA and/or OFLA leave, an employee will be reinstated to the position held when the leave began. If the employee's former position no longer exists, the employee will be returned to a substantially similar position. A substantially similar position is one that includes similar pay, benefits, and responsibilities.

Before returning from FMLA and/or OFLA leave taken for the employee's own serious health condition, a health care provider must certify an employee "fit-for-duty". This form should state that the employee is released to return to work without restrictions based on the employee's job description. This form must be turned in to the HR Generalist prior to returning to work.

If an employee wishes to return to work earlier than the date originally anticipated, the employee must provide at least two working days notice of the intention to do so. Failure to provide notice may result in the extension of leave until two days after notice is given or until the leave would normally have terminated, whichever comes first.

An employee who fails to return to work at the end of the approved FMLA and/or OFLA leave, and who has failed to notify their supervisor, the HR Generalist or any manager *on or before* the expected date of return, will be considered to have abandoned their job. Unless you have contacted your supervisor, the HR Generalist or any manager *before your leave expires*, our records will reflect that you voluntarily quit your job.

While on FMLA/OFLA, you are required to keep in contact with Leavitt's Freight Service and provide periodic updates. Failure to do so may result in termination upon the end of the approved leave.

If you have any questions concerning family leave, or if you need more specific information, please contact the HR Generalist.

Personal Leave of Absence

When an employee requests to take time off for personal reasons that do not qualify under the Family and Medical Leave Act (FMLA) and/or the Oregon Family Leave Act (OFLA), the company will review relevant business considerations and the individual circumstances involved before granting other leave of absences. Personal leave of absences are unpaid. A 30 day leave of absence may be granted to you. You will be required to keep in contact with LFS during your absence. If you are unable to return after 30 days, your employment may be terminated.

Employees will be *required* to use PTO, if any is available. Paid leave will be used in this order: PTO first, if any, and then the floating holiday, if any. Once all available paid leave has been used, the remainder of the leave period, if any, will be unpaid.

While on a personal leave of absence, medical, dental, and life insurance benefits will be maintained *up to the end of the month leave began* under the same conditions as applied before leave began. Employer-paid premiums will continue to be paid by the company and employee-paid premiums must continue to be paid by the employee. After that, the employee will be terminated from the insurances and COBRA continuation papers will be sent to allow them to continue benefits at their own expense.

An employee on personal leave will not lose any benefits or seniority gained during the term of their employment.

If you do not return from a personal leave when scheduled and have not contacted the company *on or before* the expected date of return, the company will assume that you have abandoned your job. Unless you have contacted your supervisor, the HR Generalist or any manager *before your leave expires*, our records will reflect that you voluntarily quit your job.

Military Leave

Employees who serve in the armed forces will be granted leaves of absence if called to duty and will be reinstated in accordance with all applicable state and federal laws and regulations.

Oregon Military Family Leave (OMFLA)

OMFLA allows an employee who is the spouse or same gender domestic partner of a military member to spend time with him or her before deployment and during leave from deployment. OMFLA provides up to 14 days of leave per occurrence for any employee who has a spouse in the armed forces of the United States, the National Guard, military reserves during a period of military conflict. An employee who intends to take leave must provide the employer with notice of their intention within five business days of receiving official notice of an impending call or order to active duty or leave from deployment. An employee who takes leave authorized under this section may choose to substitute any PTO which the employee is entitled for any part of the leave. Military family leave counts against an employee's general OFLA leave entitlement. An employee who takes military family leave is entitled to be restored to a position of employment and to the continuation of benefits just like an employee taking OFLA protected leave.

Jury Duty

Leaves of absence for jury duty will be granted. Leave to serve on jury duty is an unpaid leave of absence. An employee who receives notice of jury duty must notify their supervisor or any manager as soon as possible so that arrangements may be made to cover their position. An employee on jury duty will be expected to work as much of their regularly scheduled shift as their jury duty schedule permits.

Workers' Compensation Insurance and Early Return to Work

Leavitt's Freight Service carries insurance to cover the cost of work-related injury or illness. All employees who have suffered an on-the-job injury or a medical condition arising out of the employee's work activities must report the injury or medical condition immediately to the SR Risk Manager and the Work Comp Administrator. All such injuries must be promptly reported, regardless of how minor. Failure to report on-the-job injuries or medical conditions arising out of the employee's work activities can result in a violation of the conditions of our insurance coverage and of State laws. Failure to promptly report will also lead to difficulties in processing of insurance and benefit claims. Injured workers must fill out a Workers' Compensation Claim Form (Form 801) and submit it as soon as possible to the Work Comp Administrator. The Work Comp

Administrator is available to provide assistance, if needed, to any person filling out a Workers' Compensation Claim Form (Form 801).

After the Workers' Compensation Claim Form (Form 801) has been filed, the Work Comp Administrator or Safety Department works closely with the employee, the employee's medical care providers, and the company's workers' compensation insurance provider to coordinate paperwork and communication and to help the employee return to work as soon as possible.

If an injury or a medical condition arising out of an employee's work activity results in the death of an employee, the supervisor or manager shall immediately notify the Senior Risk Manager. The Senior Risk Manager shall immediately notify the State Workers' Compensation Department, Occupational Safety and Health Administration and the company's insurance carrier. The Work Comp Administrator will then proceed to process a claim report form.

Early Return-to-Work Program

It is the policy of Leavitt's Freight Service to maintain and support an early return-to-work program (light-duty program). When an on-the-job injury or medical condition arising out of the employee's work activities does occur, our early return-to-work program helps the recovering employee by offering temporary, transitional work assignments.

When the treating physician releases an employee to return to work, but places temporary restrictions on the employee's work activities, modified work or a light-duty job consistent with the employee's restrictions will be identified and assigned wherever possible.

Modified Work: where appropriate, is the temporary modification of an employee's regular job. Such modifications are intended to be transitional until the employee is again able to perform all of their regular work activities.

Light-Duty Job: is a temporary, created job, usually a combination of tasks, consistent with the employee's restrictions, which we assign. The light-duty job may be in a different department or on a different shift than was being worked at the time of injury. Light-duty jobs are temporary in nature and are intended to be transitional until the employee can return to their regular position.

During the time the employee is on light-duty they will be paid their full wages. Wages for drivers are determined by calculating their average weekly wage for the previous 52 weeks. If the employee has worked for less than 52 weeks, it will be calculated based on the total number of weeks the employee has worked for the company.

While regulatory guidelines do not require the employer to provide travel/lodging support, Leavitt's has elected to provide lodging to light duty employees who live more than 70 miles from the Springfield terminal. In the event an employee falls into this category decides to obtain their own accommodations, Leavitt's will contribute \$50 a

day to help offset their lodging cost. Employees who live within the 70 mile radius will be expected to commute to and from their home.

In the event that the employee's treating physician determines that the employee is medically stationary and places permanent restrictions on an employee's work activities, each case will be reviewed individually, *outside of this early return-to-work program*, in accordance with all state and federal guidelines.

On an ongoing basis, the Work Comp Administrator will monitor the light-duty employees and tasks. Should the physician change the employee's restrictions, the light-duty assignment will be adjusted accordingly.

Light-duty Job Performance Expectations

Job performance standards apply to light-duty jobs just as they apply to an employee's regular job assignment. An employee on a temporary light-duty assignment is being paid a full day's wages and we expect a full day's work. The work responsibilities assigned to you when on a light-duty assignment should be carried out with the same sense of responsibility, reliability, efficiency, and professionalism as you are expected to bring to your regularly assigned job. An employee can and will be subject to disciplinary actions for sub-standard job performance.

Refusal of a Light-Duty Offer

An employee's refusal (verbally or by a failure to report to work) of a bona fide offer of suitable light-duty or modified employment from the employer before becoming medically stationary may adversely affect the employee's claim compensation from the insurance carrier.

End of Light-Duty Assignment

The light-duty assignment will end when one of the following occurs:

1. The employee is released to their regular job.
2. The light-duty job is no longer available
3. The worker is determined to be medically stationary.

Once an employee assigned to light-duty has been released to return to regular work by their physician, they must return the release form their doctor to the Workers Compensation Administrator immediately so that preparations can be made to return them to their original job.

If light duty is ending due to the end of the job or medically stationary status, the employee will meet with an employer representative to lay out time lines for call in or company decisions on permanent work.

For Reference Only

LEAVITT'S FREIGHT SERVICE
Light Duty Lodging Agreement

While regulatory guidelines do not require the employer to provide travel/lodging support, however, in an effort to promote return to full duty, Leavitt's has elected to provide lodging to light duty employees who live more than 70 miles from the Springfield terminal.

In the event an employee falls into this category decides to obtain their own accommodations, Leavitt's will contribute \$50 a day to help offset lodging costs.

When using lodging contracted by Leavitt's, the light duty worker will be responsible for any additional charges i.e., meals, phone, movies, room service, etc.

Same gender double occupancy will be used whenever practical.

Address questions to the SR Risk Manager.

Employee Selection (circle one):

Leavitt's provided lodging

Employee arranged lodging

Employee: _____ Date: _____

Leavitt's Representative: _____ Date:

GENERAL WORK RULES

General Code of Conduct

This code of conduct is intended to set forth the company's values and general job performance expectations.

Teamwork and Respect for Coworkers: Every employee should keep in mind that it requires everyone working together to keep our company successful. It is very important that each one of us treat our coworkers with the same courtesy, cooperation, and respect that we ourselves want to receive from others.

Each of us must be supportive of each other's strengths and not be overly critical of the weaknesses. This is the key to creating and maintaining a team effort.

Personal Conduct: Professional behavior is expected at all times. All employees are engaged in public relations. In all aspects of your job performance, you are a representative of our company and it is imperative that you conduct your work accordingly. Employees are expected to be courteous, efficient and helpful in all their work assignments.

It is never acceptable for an employee to repeat our internal discussions or discuss our internal problems or disagreements with customers, vendors, or other people outside the company.

Employees may not use the company time, property, equipment or services for personal interest or gain. Under no circumstances are such activities permitted on company premises.

Unauthorized purchases on company accounts are not permitted. Purchases for personal use may be made through the company only with prior authorization. Such purchases must be paid in full at the time of purchase unless prior authorization and arrangements have been made.

Employees shall not accept any payments, special favors, gifts, or gratuities of more than nominal value resulting from or related to employment.

Smoking

Leavitt's Freight Service is a smoke-free workplace. Those employees who smoke must limit smoking to their 10-minute breaks and their lunch period. All smoking must be outside the building and at least 10 feet away from the entryways. Do not smoke anywhere on the premise that has been posted as a no smoking area (for example: the fuel island).

Attendance

The ability to attend work regularly is an essential job requirement. Each employee and the employee's performance on the job are important to the overall success of operations. When you are absent, someone else must cover your job duties. Therefore, everyone is expected to keep regular attendance and work as scheduled.

In accepting employment, each employee is required to meet certain standards. Maintaining an acceptable level of job attendance is part of good work performance and is one of the standards by which an employee's overall contribution may be measured. Continued employment carries with it the personal responsibility of each employee to be on the job every scheduled workday. Recurring and excessive absences are disruptive to work schedules, costly to our company, and detrimental to the morale and efforts of other employees who do maintain a good work record.

Leavitt's recognizes that, at times, employees will be unable to report to work. On these occasions, notify your supervisor or any manager as soon as it is possible to do so. Explain the circumstances and, if you know, how long you will be out. Please be sure to call your supervisor's attention to any pertinent matters in your area that must be attended to in your absence. Your assistance in ensuring that your absence does not cause important matters to go unattended is needed and appreciated.

Except when the absence is due to proper use of such leave, or leave protected by state or federal law, failure to meet attendance requirements subjects an employee to disciplinary action up to and including termination.

Personal Appearance

Leavitt's Freight Service asks and expects all its employees to dress neatly and maintain a high standard of personal hygiene. The following guidelines are minimum standards:

All clothing must be clean and must not be ripped or have holes, even if they are designed that way.

Excessively short skirts or shorts, form-fitting athletic wear, tank tops, halter-tops, and sweat pants are examples of unacceptable attire.

Tops should cover your front and back to the waist.

Any printing or pictures on clothing must not be suggestive, offensive in nature (e.g. profane language, racial slurs, etc.) or promote our competitor's business, products or services.

Clothing and footwear should be appropriate to the work being performed and must meet the safety guidelines.

Work attire for the office area should be tasteful and contribute to a professional atmosphere. The office dress code is “business casual”. Please use your good judgment. When in doubt, put more emphasis on the “business” part of “business casual.”

Of course, the extent to which an employee acts as a company representative and has contact with persons outside the company as part of their job may necessitate more specific or different requirements for their attire. Always be aware that the impression you make will create an impression of the entire company.

Questions about these guidelines should be directed to your immediate supervisor, any manager, or HR.

Appearance of Work Areas

Each of us needs to take personal pride in our workplace and do our part in keeping it clean and safe.

It is the responsibility of each employee to maintain a safe, neat work area and ensure that all work documents, desks, cabinets, tools and equipment are secure at the close of the work shift. This includes the condition of our company trucks and tractors. (See policies specific to drivers.)

Personal Mail

Do not use the company’s address as your mailing address. Leavitt’s will not assume responsibility for any personal mail delivered here for an employee using the company’s address. Any mail delivered to the company address is subject to being opened by a manager.

Personal Telephone Calls

Personal calls are costly, time consuming and interfere with normal business activities. Personal calls (incoming or outgoing) that must be made during business hours should be kept to an absolute minimum and made during breaks or lunch periods whenever possible. Under no circumstances should an employee charge a long distance call to the company unless it is work-related.

Cell Phones: The company cell phones issued to certain employees are intended to be used for business purposes only. These cell phones are on billing plans that allow a certain number of minutes per month. ***It is very expensive to use up more minutes than the plan allows.*** Unauthorized calls made on company cell phones may be charged back to the employee who is assigned that phone. Disciplinary action may result if unauthorized use of the company cell phone continues to be a problem.

Drug and Alcohol Policy

Leavitt's Freight Service is committed to providing a safe workplace for its employees. The nature of our business is that our employees must also perform their work safely at customer and vendor work sites and on public roads and highways. Therefore, the company is also committed to placing safe, professional drivers in its vehicles.

Employees must be fit to perform their job duties and other responsibilities in a safe and efficient manner. Therefore, Leavitt's prohibits the use of alcohol and/or illegal drugs (including the improper use of prescription drugs) anytime an employee is on our payroll or on our premises. Additionally, the possessing, selling, trading, manufacturing or dispensing of alcohol and/or illegal drugs (including the improper use of prescription drugs) is also prohibited anytime an employee is on our premises or on our payroll. An employee found to be in violation of the above policies will be subject disciplinary action up to and including immediate termination.

All Leavitt's employees who hold a CDL (Commercial Driver License) are subject to and must be in compliance with all DOT regulations regarding drugs and alcohol. (See Driver Safety Manual.)

Given the safety sensitive nature of our business, Leavitt's will not accommodate the use of medical marijuana.

Drug Testing

Currently, all employees who hold a CDL are subject to alcohol and drug testing consistent with DOT regulations. (See Driver Safety Manual)

Leavitt's reserves the right to test any employee in the event of reasonable suspicion or following an accident involving property damage or personal injury.

Leavitt's reserves the right to re-test an employee whose sample results were negative, but dilute.

Voluntary Disclosure and Treatment

Generally, employees who voluntarily request assistance in dealing with a personal alcohol and/or drug problem may do so without jeopardizing employment provided that this assistance is sought *before work performance has deteriorated and/or disciplinary problems have begun*.

Treatment programs may be available through company health insurance coverage. Employees are responsible for any medical costs not covered through the company's health insurance.

Security and Keys

Company property is not to be removed from designated areas without approval from your supervisor. Report any suspected or actual unauthorized use or removal to your supervisor or any manager.

Leavitt's is not responsible for the personal property of employees. You are advised to take precautions in storing your personal valuables during working hours.

Keys are provided to employees if needed and are to be returned when the specific use is finished or upon termination of employment. Under no circumstances are duplicates of keys to be made without authorization.

You must notify the company immediately if you lose any company keys.

Unauthorized use of, removal or theft of company property and/or theft of another employee's property will lead to disciplinary actions up to and including immediate termination.

Right to Inspect

Leavitt's Freight Service reserves the right to inspect, with or without notice, all persons, packages, automobiles and other items that come onto company premises. The company further reserves the right to inspect all company property with or without notice. All company vehicles, machinery, equipment, desks, lockers, computers and the electronic data they contain, and all other company purchased items remain the property of the company regardless of to whom they have been assigned for use. The company may also file a report with the appropriate law enforcement agencies when applicable.

Information Systems

Leavitt's Freight Service maintains information systems, including electronic mail (e-mail), voice mail, the InTouch Communication System, and Internet access capability. It is important to remember that all company information systems are purchased, maintained, and intended for business purposes. As such, all information systems, computer hardware, computer software, and the electronic data they contain are the sole property of Leavitt's Freight Service.

What does this mean to an employee? Simply that any data or message put into, sent or received through company information systems is not a private communication. Any time you are using company information systems, the data you generate, messages you send or messages you receive are the property of Leavitt's Freight Service. This is true regardless of whether the data or messages are stored on discs, tapes or hard drives. Awareness of the non-private nature of all information systems should govern each employee's use of all such systems.

Leavitt's requires that all employees observe common standards of etiquette in connection with all communications on the company's information systems. Employees must identify themselves and their Leavitt's Freight Service, Inc. affiliation honestly and accurately to others when using Leavitt's electronic communications systems. An employee should not use the information systems in a manner that could embarrass the company, the employee or their co-workers, or could later be viewed as inappropriate or unlawful.

All Leavitt's policies concerning workplace harassment of any type, discrimination, privacy, misuse of company resources, data security, confidentiality, and intellectual property protection must govern every employee's use of all company information systems.

Employees must ensure that confidential information generated by or for the company is protected. Communications sent through the information systems, including the e-mail and voice mail systems, should be delivered only to those persons who have a need to know the information. Additionally, because the security of e-mail and voice mail systems, and therefore the confidentiality of the communications transmitted by them, cannot be guaranteed, in some instances it may be inappropriate to use those information systems to communicate certain confidential information.

Unauthorized downloading of unapproved software is forbidden. Software or files downloaded into the company network become the property of Leavitt's Freight Service. Any employee who attempts to disable or circumvent firewalls or other security systems installed by Leavitt's may be terminated.

The Internet

Internet access has been provided to certain employees for the benefit of Leavitt's Freight Service and its customers, vendors and suppliers. This access enables employees to connect to information and other resources around the world. When used appropriately, these resources can greatly enhance employee productivity and knowledge.

Employees accessing the Internet are representatives of the Company when doing so. Accordingly, all such access and communications should be professional and for a business purpose. Each employee is responsible for using the Internet access privilege in an effective, ethical, and lawful manner. "Chat rooms" may be used only when appropriate to conduct company business, or to gain technical or analytical advice. Use of the Internet must not disrupt the operation of company information systems or the networks and systems of other users, or interfere with an employee's productivity.

E-mail and Internet Restrictions

In accordance with the policies (outlined above) governing the use of company information systems, the following are absolute restrictions on employees' use of e-mail and/or the Internet:

- Transmitting confidential or proprietary data or trade secrets
- Sending or soliciting sexually graphic messages or images
- Sending discriminatory or harassing messages or images disparaging others based on their race, national origin, gender, sexual orientation, age, disability, religion, or political beliefs
- Disseminating or printing copyrighted materials in violation of copyright laws
- Carrying on a private business or soliciting money for personal gain
- Gambling or engaging in online activity that is against state or federal law
- Transmitting chain letters of any kind

Violation of Leavitt's policies regarding the use of the company's information systems, including e-mail and the Internet, may lead to disciplinary action up to and including termination.

Virus Protection Policies

Protecting our information systems from computer viruses is every employee's responsibility. There are numerous viruses traveling by e-mail and new ones are always being created. If an infected e-mail is opened, it is possible for a virus to do substantial damage to our information systems. Recovering from the damage is always very expensive and time-consuming. Therefore, it is CRITICAL that all employees follow proper procedures when using e-mail. Each employee must pay careful attention to the following guidelines:

Exercise extreme caution when reading or forwarding e-mail messages with attachments.

Do not open an e-mail if you do not recognize the sender.

Do not open Zip files, executable files, or attachments included in an e-mail if you do not recognize the sender.

If you open an e-mail and you don't understand the message, or anything about it seems not quite right, stop and bring it to Terry Leavitt's attention immediately.

Delete all suspicious e-mail and be sure it is permanently deleted. (If your e-mail is not set to empty the deleted file upon exit, then you must delete the e-mail and then open the deleted items box and delete it again to permanently delete it.)

Personal Use of Information Systems

Occasional sending or receiving of personal electronic communications and occasional personal use of the Internet is acceptable. Guidelines for all such personal electronic communications and Internet usage are as follows:

- Personal e-mail and Internet usage must be kept to a minimum

- Must be kept to break time, lunch time, and before or after work whenever possible
- Must not negatively impact an employee's efficiency or productivity
- Must be in compliance with all the company policies outlined above

Please use good judgement and professional conduct. Please clearly understand that no privacy exists regarding information, communication, or usage of Leavitt's information systems. All activity can be monitored, deleted files can be recovered, and all passwords are known to the system administrator.

Operation of Company Vehicles

A current driver license must be on your person when operating any company-owned or company-leased vehicle, including cars and pick-ups.

Seat belts: The State of Oregon Motor Vehicle Code and Oregon OSHA laws require seat belts to be used by all parties in a motor vehicle at all times when in motion, whether or not on a public highway. Leavitt's also requires that all operators or passengers in any company vehicle, or in their own vehicle while on company business, properly use seat belts. This policy applies whenever operating a company-owned or company-leased vehicle regardless of location.

All necessary Department of Transportation regulations regarding drivers must be met before any employee (including maintenance, office or yard employees) can operate a company-owned or company-leased truck or tractor on a public highway. These regulations include:

1. Commercial Driver License, current on your person and a copy in the personnel office.
2. Physical examination card, current on your person and a copy in the personnel office.

Unauthorized use of any company vehicle is prohibited and will result in disciplinary action up to and including termination.

Mileage Reimbursement

An employee using his or her own vehicle for company business will be reimbursed at the IRS standard rate per mile. This rate is calculated by the IRS and is meant to reimburse the employee for all costs of operating the vehicle including gas, oil, maintenance, insurance and depreciation.

All requests for reimbursement of mileage must be approved by a manager.

COMMITMENT TO SAFETY

Each employee is responsible for working safely to avoid injury to themselves or fellow workers. The safety of our employees, customers, vendors, visitors, and the general public is extremely important. All employees must comply with company policies and procedures designed to assure a safe working environment. Additionally, our drivers are issued a Driver Safety Manual that details the very specific safety requirements that they are responsible for being in compliance with.

A Safety Committee is in place and meets regularly. The members may change yearly. The Safety Committee meets to discuss potential safety hazards, to review OSHA and state standards and our compliance with them in order to make recommendations for corrective action.

You are urged to notify your supervisor, any manager, or a safety committee member immediately if you observe anything that may in any way endanger an employee, customer, vendor, visitor, or the general public.

*NO JOB IS SO IMPORTANT AND NO SERVICE IS SO
URGENT THAT WE CANNOT TAKE TIME TO
PERFORM OUR WORK SAFELY*

SAFETY ORGANIZATION AND RESPONSIBILITY

MANAGEMENT

Management is accountable for the prevention of workplace injuries and illnesses. Management must provide direction and full support to supervisors and employees regarding safety and health, job training, and hazard-elimination procedures. Management must be fully informed about safety and health issues throughout the company in order to review, on a continual basis, the effectiveness of our safety and health program.

In support of Leavitt's safety program; the Risk Management Department has been established consisting of a SR Risk Manager , Safety & Training Manager, Fleet Analyst/Compliance, Driver Managers, and Training Team. Reporting procedures associated with accidents, incidents, cargo claims, and bodily injuries will consist of the following procedures:

- Primary Contact: SR Risk Manager
- 1st Alternate Contact: Safety & Training Manager
- 2nd Alternate Contact: Driver Manager
- 3rd Alternate Contact: Work Comp. Administrator (bodily injury only)
- Default option: Any Manager

SUPERVISION

Supervisors will be held accountable for all safety and health issues. They are directly responsible for supervising and training their workers to develop a "safety first" attitude. To achieve an injury and illness-free environment, this attitude must continually influence and be incorporated into all work practices and procedures.

Supervisors are responsible for enforcing company rules and must take immediate corrective action to eliminate hazardous conditions and practices. Supervisors must not allow safety to be sacrificed for any reason.

SAFETY COMMITTEE

Our company has established a Safety Committee designed to prevent injury and illness by promoting safety and health in the workplace. The Safety Committee consists of management and employee representatives who have an interest in safety and health issues at Leavitt's Freight Service. The Safety Committee is responsible for making recommendations for improving safety and health within our work environment. As such, the Safety Committee is accountable for defining problems and removing obstacles to accident prevention, identifying hazards and recommending corrective actions, identifying employee safety training needs, and establishing accident investigation procedures for our company.

[The Safety Committee members and procedures are discussed later in this manual.]

ALL EMPLOYEES

Each employee, regardless of their position within the company, is expected to cooperate fully with the company's safety program. This includes these requirements:

- All employees must be in compliance with all established safety policies, procedures and guidelines.
- All accidents, injuries, or medical conditions arising out of an employee's work activities must be reported immediately to your supervisor or any manager.
- All hazardous conditions or other safety and health concerns must be reported to your supervisor or any manager immediately.
- All employees must wear personal protective equipment when required.
- All employees are encouraged to participate in safety committee activities and to support safety committee membership.

IF EVERYONE DOES THEIR PART TO ENSURE WORKPLACE SAFETY AND HEALTH, WE ALL BENEFIT.

SAFETY COMMITTEE

Safety Committee Members

A list of the current Safety Committee members is posted, in the upstairs lunch room and downstairs lunch room.

The Safety Committee meeting takes place once a month and lasts approximately one hour. **Any employee who would like to attend is welcome to do so, and driver participation is especially welcome.**

Any employee with safety questions or concerns is encouraged to speak with any Safety Committee member.

Committee Procedures

1. The Committee will meet regularly once a month. The Minutes from last meeting will be read and the Committee will review all outstanding items from the previous meeting, updating the status of each outstanding item.
2. The Committee will review all injuries since the last meeting, discussing the probable causes and possible corrective actions, and making recommendations where appropriate.
3. The Safety Committee will complete quarterly walk-through safety inspections of the entire facility.
4. Open forum – New agenda items, presentations, etc.
5. The Safety Committee Minutes will be posted in the upstairs lunch room and downstairs lunch room after each meeting so that all employees can review the safety committee meeting information.
6. A Progress Report will be completed to document the status of corrective recommendations and to follow up on committee suggestions and concerns.

SAFETY RULES FOR ALL EMPLOYEES

Injuries are very costly to everyone. Each employee shall use proper reasoning and care to prevent injury to themselves and to others. To avoid personal injury, you must observe the following safety rules:

General Rules

1. It is the duty of all employees to promptly report unsafe physical or mechanical conditions to the Safety Manager or any manager. This includes unsafe work practices or activities that may jeopardize the safety of an employee or of any other individual.
2. If you see another worker performing any unsafe procedure or act, warn them immediately and offer whatever assistance you can.
3. Promptly report all injuries or medical conditions arising out of an employee's work activities to the Safety Manager or any manager, *no matter how slight*.
4. Comply at all times with all federal, state and local safety laws and the Leavitt's Freight Service safety program policies and procedures.
5. Comply at all times with Leavitt's Freight Service's Drug and Alcohol policy.
6. Horseplay, scuffling, practical jokes or any other dangerous acts are not acceptable behaviors and will not be tolerated in the workplace.
7. Never operate any equipment or machinery unless you are trained to do so and all guards and safety devices are in place and in proper operating condition.
8. Keep all tools in safe working condition. Never use defective tools or equipment. Report any defective tools or equipment to your supervisor or any manager promptly.
9. Do not borrow, use or operate any tools, machinery or equipment if you are not authorized to do so. (This includes but is not limited to the use of the pressure washer, drill press, chain saw, cutting torch/welder, and grinder.)
10. All non-shop employees must stay out of the work area unless asked by a mechanic to assist with a vehicle or in an emergency situation.
11. All employees are strictly forbidden to ride on moving forklifts, cranes or other mobile equipment that are not intended to accommodate passengers.
12. All employees should be aware of and alert for forklift and truck traffic within and around our yard. Watch carefully for such traffic and heed all warning signals and horns. When walking around the yard a safety vest is required.
13. All employees must drive slowly and safely in our yard. THE POSTED YARD SPEED LIMIT IS 5 MPH.
14. There must be no smoking in the building, in the truck shop, or anywhere posted as a No Smoking area. All smoking must be outside the building and at least 10 feet from the entryways.

Specific Safety Rules

Housekeeping

1. Each Employee is responsible for housekeeping in their work area.
 - a) Put tools and supplies away when finished with the job.
 - b) Clean up spills as soon as possible. Immediately contact your supervisor or any manager if it is a hazardous materials spill.
 - c) Keep aisles and exits clear of debris, electrical cords, hoses, equipment, etc.
2. STORAGE AREAS: All materials should be maintained in neat stockpiles for ease of access. Keep aisles and walkways clear of loose materials and tools.

Manual Material Handling

1. Do not lift anything that you think may be too heavy or awkward. Do not perform any act you believe is unsafe. If you need help, ask for it.
2. Perform all manual lifts using proper methods. Bend your knees, get the load close to your body, grip firmly with your palms, get a secure stance, and perform the lift smoothly using your leg muscles.

Fuel Island

1. Never leave vehicles unattended while fueling.
2. Never smoke anywhere on or around the fuel island.
3. Make sure the nozzle and hose are hung up on the pump and out of the way before pulling away in a vehicle.
4. Report any problems or malfunctions to the Fleet Maintenance Manager, the Parts Room Supervisor, or any shop staff.
5. In case of a major fuel spill:
 - a) Shut off the pump at the emergency fuel panel box shut off switch located in the strap room.
 - b) Contact the Fleet Maintenance Manager (if it is during a regular work day contact any shop personnel)
 - c) Wait by the spill until someone comes to begin clean up procedures.

Use of Tools and Equipment

1. All tools and equipment shall be maintained properly and kept in good condition.
2. Damaged tools or equipment shall be removed from service and tagged "DEFECTIVE".
3. Only appropriate tools shall be used for the job.

Use of Chemicals

1. Do not use any chemicals unless you are authorized to do so.
2. When using chemicals avoid contact, ingestion or inhalation of the chemicals.
3. Always follow label directions and use proper protective equipment.

Personal Protective Equipment (PPE) and clothing

1. Wear clothing that is appropriate for the work being performed and the anticipated conditions.
2. Protective helmets are required in areas where there is a possible danger of head injury from impact, flying objects, or from electrical shock or burns.
3. Personal Protective Equipment (PPE) is supplied and available for use. This includes hard hats, safety glasses and reflective safety vests. PPE must be properly worn and properly cared for. Contact training department for issue of PPE.
4. Wear appropriate protective clothing at all times when performing your job duties:
 - a) Hard hats will be worn in all plants that have requested their use or whenever exposure to overhead hazards is present. Contact the Safety & Training Department if you do not have one.
 - b) Proper footwear must be worn at all times. No open-toed sandals, thongs or tennis shoes. Footwear should be non-skid in nature and should provide good ankle support. Drivers may wear tennis shoes and cowboy boots when driving, however, when you get out of the truck to perform any duty relating to the load or truck you must wear good sturdy work boots for foot and ankle protection.
 - c) Clothing should be appropriate for the tasks you are performing. Loose fitting clothing that can catch on protrusions is not acceptable.
 - d) Be certain during winter weather that your clothing is sufficient to protect you against the harsh weather conditions.

PROHIBITION OF HARASSMENT, DISCRIMINATION AND WORKPLACE VIOLENCE

It is the policy of Leavitt's Freight Service that all employees be able to work in a setting free from all forms of unlawful discrimination and harassment. Towards this goal, any conduct, intentional or unintentional, that results in harassment will not be tolerated.

This policy covers conduct in the workplace, at social functions sponsored by the company (such as holiday dinners, picnics, sporting events, etc.), and at job-related business functions (such as seminars, conferences, conventions, trade shows, etc.).

Our company policy is to carefully investigate all complaints of harassment. Any employee found to have engaged in harassment will be subject to immediate disciplinary action, up to and including termination.

Harassment In the Workplace.

Harassment is any verbal, physical or visual conduct of sexual, racial, ethnic, religious, disability based, or other type which impairs the employee's ability to perform their job, and/or which creates a hostile, intimidating, or offensive work environment.

Harassing conduct includes, but is not limited to, abusive or contemptuous language, slurs, negative stereotyping, and threatening, intimidating, or hostile acts. It may also include written or graphic material that denigrates or shows hostility or aversion toward an individual or group that is placed on walls, bulletin boards, or elsewhere on the employer's premises. Unwelcome comments, unwelcome jokes, and unwelcome touching are also examples of harassing conduct.

Sexual Harassment

Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

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

Employee Complaints of Harassment

Any employee who believes that the actions or words of a manager, supervisor, co-worker, customer, vendor, or any other individual constitute harassment HAS A

RESPONSIBILITY TO REPORT THE SITUATION AS SOON AS POSSIBLE to his/her manager or supervisor, to any other manager, HR, or to the next level of management if the situation involves the employee's manager/supervisor.

All complaints will be promptly investigated and immediate corrective actions will be taken as warranted. Every effort will be made to maintain confidentiality within the requirements of the investigation. Retaliation or continued harassment of the employee who made the complaint will not be tolerated. Any employee found to have engaged in such conduct will be subject to immediate disciplinary action, up to and including termination.

The employees directly involved in the complaint will be notified of the outcome of the investigation.

Prohibition of Workplace Violence

The company has a "zero tolerance" policy for any actions that threaten its employees, customers or vendors. This includes verbal and physical harassment, verbal and physical threats, verbal confrontations, and any actions that cause others to feel unsafe in the workplace. As part of this policy, employees are prohibited from bringing weapons to work or on company premises unless preapproved by one of the Owners, including the company parking lot.

You may not carry any kind of weapon on your person, in your truck or in your personal possessions while you are assigned to company equipment. Weapons include, but are not limited to:

- Shotguns, rifles, or pistols, of any type, caliber or gauge (including BB or pellet guns)
- Bows and arrows / crossbows
- Knives (other than small pocket knives / blades less than 4" long)
- Stun guns
- Clubs, other than for checking tires
- Any other item which has no legitimate business purpose and which you possess because of its potential to cause physical harm to others.

Weapons found in violation of the policy will be confiscated. The company may also file a report with appropriate Law Enforcement authorities.

Employees are encouraged to raise workplace concerns with the /Safety Manager or any other supervisor or manager.

DISCIPLINE, TERMINATION, LAYOFF OR RESIGNATION

Leavitt's Freight Service is an "employment at will" company. This means that employment can be terminated, with or without cause, and with or without notice, at any time, at the option of the company or at the option of the employee.

These disciplinary policies do not constitute a contract, and are guidelines only. Leavitt's Freight Service reserves the right to use some, none, or all of these possible disciplinary actions it believes appropriate under the circumstances. Such discipline may include:

Discussion of the Problem

In many instances, discussion with the employee is the first action taken to correct performance problems. The purpose of such discussions is to make the employee aware that there is a problem, solicit the employee's input, and to determine the needed corrective action. Depending on the nature of the problem, such discussions may or may not be documented in the employee's personnel file.

Verbal Warning

A verbal warning is a stronger disciplinary action than discussion and is intended to put the employee on notice that immediate and sustained improvement is expected and required. Although this is not a formal written warning, employees should be aware that such verbal warnings will be documented in the employee's personnel file.

Written Warning

A written warning is a much stronger disciplinary action than a verbal warning and puts in writing the nature of the performance problem and the corrective action/actions expected. It is a written notice that immediate and sustained improvement is required in order to continue your employment. All written warnings will become a permanent part of an employee's personnel file. When necessary, written warnings may include a "Last Chance Agreement" clause.

Suspension

Where suspension is deemed to be an appropriate disciplinary action, suspension will be without pay. A suspension without pay means your job is clearly in jeopardy and is a last opportunity for an employee to correct their performance problems upon their return to work. Any suspension will be documented and will become a permanent part of an employee's personnel file.

An employee who fails to return to work after a suspension without pay will be deemed to have voluntarily quit their job.

Termination

Termination can occur at management's discretion, after any combination of warnings or suspension. There are also some situations that may call for immediate termination.

Layoff

If it becomes necessary to reduce employment for reasons involving business downturn, reorganization, or any other reason, the company will analyze each position carefully. Knowledge, overall qualification, past performance, job skills, flexibility of skills and length of service are factors generally considered in determining layoff. Leavitt's retains absolute discretion to decide which factors it will consider and how much weight it will give each factor in making its employment decisions.

Resignation

In the event that you decide to leave, the company expects two weeks notice prior to your date of departure so that an orderly transition can be made. This process includes turning in all company property and completing the appropriate paper work necessary to assure an orderly exit and the timely issuance of your final paycheck.

Job Abandonment

Job abandonment occurs when an employee fails to report at the start of their workday and has not notified their supervisor, any manager, or any dispatch personnel *prior to the start of their workday*. **There is no excuse for failure to notify.** Preprinted business cards listing the home, cell phone, and toll-free 800 numbers for six to eight key company personnel are given to all drivers and are readily available here in the office. In addition, calling the office during non-office hours will enable any employee to leave a voice mail message.

If an employee fails to report to the company within 48 hours of the start of the workday they first failed to show up for, Leavitt's will assume that the employee has quit their job. A final paycheck, including any wages and benefits due, will be mailed to the most current address on file in the Accounting Department.

Note: When job abandonment was caused by dire emergency resulting in an employee's inability to report, and no alternative friend or family member could notify the company, an employee may be reinstated upon providing reasonable evidence of the inability to report. Any such reinstatement will be subject to job availability.

Employee acknowledgment

Receipt of the Employee Handbook

I, _____, acknowledge that I have received a copy of the Leavitt's Freight Service Employee Handbook. I received an overview of its contents and an opportunity to ask questions and seek clarification at the time the Employee Handbook was issued to me. I understand that it is my responsibility to read and understand the contents of the Employee Handbook and that I am expected to follow the policies, procedures, rules and guidelines set forth therein.

I understand that my employment is at-will and that I may resign or Leavitt's may terminate my employment at any time, for any reason, with or without notice.

I am aware that should I have any questions, now or in the future, concerning the matters set forth in the Employee Handbook, I can address these concerns with my supervisor or any manager.

Employee Signature

Date

Acknowledgment of Company Right to Inspect

I, _____, acknowledge that I have been advised and understand Leavitt's Freight Service's inspection rights, as follows:

Leavitt's Freight Service reserves the right to inspect, with or without notice, all persons, packages, automobiles and other items that come onto company premises. The company further reserves the right to inspect all company property with or without notice. All company vehicles, machinery, equipment, desks, lockers, computers and the electronic data they contain, and all other company purchased items remain the property of the company regardless of to whom they have been assigned for use. The company may also file a report with the appropriate law enforcement agencies when applicable.

Employee Signature

Date