



**Employee Handbook,  
Benefits and Policy Manual**

## Acknowledgement and Receipt of Handbook

I hereby acknowledge receipt of the TriOak Foods Employee Handbook, Benefits and Policy Manual that has been updated in 2021.

I agree to read the employee handbook, and I acknowledge my responsibility to follow all of policies and procedures described within this document. I understand that these policies are effective immediately. I agree that there is no contract (expressed or implied) or promise regarding employment between myself and the Company. I understand that revisions will be made to these policies, procedures and this document over time.

I understand that the statements contained in the handbook are intended to serve as a guide to the rules, policies, procedures and benefits of the Company. I further understand that TriOak Foods may revise, modify or eliminate any of policies, procedures or benefits explained in this Handbook in the future.

I understand that my employment is at will, such that either the Company or I can terminate the employment relationship at any time and for any reason.

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Employee Name (Please Print)

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Employee Signature

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Date

Updated 2021

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# **TriOak Foods – Who We Are**

## **TriOak Foods Values**

TriOak Foods was founded as a company built on strong personal values and the belief that our Company and our Employees cannot prosper without the success of the other. As Employees of TriOak Foods, we have a responsibility to be committed to our core values.

### **Honesty and Integrity**

A company's success depends on its reputation as a trustworthy organization. The honesty and integrity of every TriOak Foods Employee in all dealings with people inside and outside of TriOak Foods impact customers and the success of our Company. By doing what is right and honest in everyday work, this means keeping our promises to develop mutual trust. It's the only way for the Company and us, as employees, to prosper.

### **Loyalty to Our People and Families**

There are several definitions of the word loyalty in the world today. These include the state or quality of being loyal; faithfulness to commitments or obligations; the act of binding yourself (intellectually or emotionally) to a course of action. Each definition helps describe the loyalty between TriOak Foods, our Employees, and our families. The mutual commitment to each other, our customers and our families help create balance that allows our Employees to succeed at work and at home.

### **Hardworking**

People and companies alike succeed because they outperform others. Top performers strive for excellence, never settle and are driven by hard work. What truly separates our Company from others is the quality of our employees and the way they work together. The hard work and drive of TriOak Foods Employees impacts the quality of our products and services, our relationship with our customers, and the financial success of TriOak Foods.

### **Financial Stability**

The expansion of the scope of a business, the investment into facilities and equipment, the addition of more employees and other similar actions are not taken lightly by business leaders. Since the Company began operations in 1951, TriOak Foods has a strong history of financial stability, profitability and growth. Effective financial management combined with a good business plan, the success of our operations and a skilled workforce continue to drive the financial success of TriOak Foods today.

## **Our History**

TriOak Foods began operations in January 1951 as Oakville Feed & Produce. The Company sold feed supplements to local farms and purchased their eggs and milk for resale to grocery merchants. John McCulley and his wife Betty founded the Company and operated it for 40 years. The company is now a second-generation family corporation.

### **1950's**

During this decade, the Company phased out the produce business and began grain elevator and fertilizer operations. The name was changed to Oakville Feed & Grain, Inc.

### **1960 to 1980**

During this twenty-year span, the Company expanded its grain services and added storage capacity in Oakville. The Company also became a leading retail agronomy center for local grain producers. Feed operations expanded and the Oak Feed brand was established.

### **1980's**

The early 80's saw retail feed operations grow to serve many pork producers within reach of Oakville. The mid 1980's started to transform the livestock landscape and our regional feed center became a company owned contract pork production system as our customers asked us to provide animals. The transformation took about a decade to complete.

### **1990's**

This decade saw rapid growth in the pork operations with the addition of grain facilities in Southeast Iowa, and the relocation/construction of a state-of-the-art agronomy center. The role all these facilities play changed with the rapid consolidation of grain producers and the many technological advances. By the end of the decade, pork production was the driving force of the company. "Identity Preserved" corn production was introduced in 1996 to supply corn to our feed mill and ensure a more consistent feed diet. Our name was changed to TriOak Foods in September of 1999. This clearly announced that we are in the business of food production.

### **2000's**

Pork operations continue to improve and expand. Herd health and well-being of all animals, stewardship to the land with environmentally sound practices, and sustainable systems for all participants are priorities for TriOak Foods. TriOak Foods strives every day to produce the highest quality pork for the ultimate retail consumer. Using selective genetics, breeding stock and our milling operation, nutrition is balanced to produce high quality lean pork.

Going beyond certified animal practices to align with some of the best people and companies in the swine business will help TriOak Foods and its customers grow into the future. TriOak Foods history is rich with ideals that set the standard for our current operations, and the values that drive our company today are consistent with those started in 1951.

## **TriOak Foods, Inc. Locations**

### **Oakville Corporate Office and Operations:**

Oakville, Iowa is the original home of TriOak Foods and continues to be the home base for our operation.

Oakville operations include grain facilities, our Oakville Feed Mill and the various business functions that make up much of our business. Our Corporate Offices in the Oakville Feed Mill houses the Oakville Executive Team; the Live Production Management Group; Human Resources; and our Feed Production, Planning and Logistics Group. Our Scale Offices include the Grain Merchandising and Marketing Group; Public and Customer Relations; and our Accounting Group.

Contact Information: TriOak Foods Inc.  
103 W. Railroad Street  
Oakville, IA 52646  
(319) 766-2230  
(319) 766-4602 (Corp Office Fax)

### **External Feed Mill Locations:**

In addition to the Oakville Feed Mill, our Feed Manufacturing and Delivery Team includes two feed mills which produce feed for our pork operations. The addresses and phone numbers for these feed mills include:

Bushnell Feed Mill	Brandon Feed Mill
106 Industrial Park Rd	12445 County Rd 58.5
Bushnell, IL 61422	Brandon, CO 81026
(309) 772-2009	(719) 729-3409
(309) 772-2005 (Fax)	

### **External Grain and Locations:**

In addition to the Oakville Grain Facility, our Grain Team operates three country elevators in Southeast Iowa. The facilities handle corn and soybeans along with our Identity Preserved corn that is processed into feed for our pork operations. The addresses and phone numbers for our grain locations include:

TriOak Morning Sun	TriOak Foods Olds	TriOak Richland
Hwy 78, Box 6	1212 Iowa Avenue	Box 156
Morning Sun, IA 52640	Mt. Pleasant, IA 52641	Richland, IA 52585
(319) 868-7931	(319) 254-2126	(319) 456-6251

## TriOak Foods Live Production Team and Major Locations:

The TriOak Foods Live Production Team is a combination of dedicated employees, sow production facilities, selected finishing contractors, professional technicians, and committed suppliers joining together to produce high quality pork products using world-class production processes. At the heart of these processes are a group of Sow Production Locations and Boar Stud Locations. Sow Production Locations include facilities that are TriOak Foods majority-owned facilities and some with limited TriOak Foods ownership. In addition, TriOak Foods operates its own nucleus of animals to produce future generations of reproductive females. Our majority-owned facilities include:

Pennway Sow Farm  
7231 Hwy 99  
Wapello, IA 52653  
(319) 766-3800

Marco Pork Sow Farm  
1131 140<sup>th</sup> Street  
St. Anthony, IA 50239  
(641) 477-8088

Fall Creek Sow Farm  
RR3 Box 72  
Monmouth, IL 61462  
(309) 729-5534

Indian Creek Sow Farm  
16402 125<sup>th</sup> Street  
Columbus Junction, IA 52738  
(319) 728-8047

Oklahoma Sow Operations  
Route 2, Box 109  
Turpin, OK 73950  
(580) 778-3644

Colorado Sow Operations  
109 W. Lee Avenue, Suite 13  
Lamar, CO 81026  
(719) 336-1111

Maytown Sow Farm  
PO Box 367  
Maple Park, IL 60151  
(815) 376-5007

Geode Boar Stud  
20910 Highway J20  
Danville, IA 52623  
(319) 392-2000

Barlow Boar Stud  
53390 County Road T  
Eads, Colorado 81036  
(719) 729-3444

Long Creek Boar Stud  
7994 200<sup>th</sup> Avenue  
Danville, IA 52623  
(319) 392-2004

Sunset Farms  
2113 Sunset Rd.  
Clinton, IL 61727  
(217) 648-2634

Highlands Sow Farm  
2164 Knox Rd. 1110N  
Williamsfield, IL 61489  
(309) 639-2425

Kingston Sow Unit  
4717 195<sup>th</sup> St.  
Burlington, IA 52601  
(319) 937-6420

Sperry Sow Unit  
9375 Pegtown Rd.  
Mediapolis, IA 52637  
(319) 937-6525



## **Pay and General Benefits**

Pay and Benefits at TriOak Foods include regular compensation, paid time off, holiday pay, cafeteria plan benefits, a company bonus and retirement plan. Combined, they form a system that helps make TriOak Foods a preferred employer that attracts and retains good employees.

### **Definitions and Classifications**

Full-time Employee: An employee who is regularly scheduled to work at least forty (40) hours per week and is not a Seasonal / Temporary Employee.

Part-time Employee: An employee who is regularly scheduled to work less than forty (40) hours per week and who is not a Seasonal / Temporary Employee.

Seasonal / Temporary Employee: An employee who is scheduled to work for a specific season, task or project. Seasonal / Temporary employees are not eligible for insurance benefits or bonuses.

All employee classifications shall be determined by the Company and may be changed from time to time as warranted by the circumstances.

### **General Pay Practices and Policies**

An important part of total compensation is base pay and premiums associated with the work being performed. The sections below help to explain several critical points related to pay practices at TriOak Foods.

#### **Timekeeping, Pay Day and Direct Deposit**

For timekeeping and payroll purposes, the normal scheduled workweek begins on a Saturday and it ends on a Friday with pay for that period to be made on the Friday of the following week. All full-time and part-time employees will be paid every two weeks on Fridays.

Unless specifically requested otherwise, it is the policy of TriOak Foods to utilize direct deposit for net pay on all paychecks. This ensures that each employee's net pay is deposited in the employee's bank account as soon as the bank opens for business on the bi-weekly Friday pay date and no sooner. To initially activate direct deposit or to change your direct deposit information, you must provide a Voided Check.

#### **Lunch Time**

For scheduling, timekeeping and payroll purposes, all employees are scheduled for a ½-hour lunch period. This ½ hour will be automatically deducted from your time card. In the special situation where you need more than 30 minutes for lunch, you should coordinate this schedule with your supervisor, and you must punch during the time you are gone. In the special situation where you are unable to break for lunch, you should communicate this with your supervisor who will contact payroll to have your timekeeping adjusted accordingly.

### **Overtime Policy**

Generally, an hourly paid, non-exempt employee who works more than 40 hours within one workweek is paid at a rate of 1½ times the regular hourly pay rate for time worked in excess of 40 hours per week. Salaried employees who qualify as exempt under federal and state wage laws are not qualified for overtime pay.

### **Shift Assignments and Premium**

The majority of work completed at TriOak Foods takes place during 1<sup>st</sup> shift work hours, however there is a growing need to assign employees to a 2<sup>nd</sup> shift with potential need for other variations of 3<sup>rd</sup> shift or weekend crews.

Employees who work the majority of their normal scheduled work hours during normal 1<sup>st</sup> shift hours are paid their hourly rate or salary and are not eligible for a pay premium.

Employees who work the majority of their normal scheduled work hours outside of normal 1<sup>st</sup> shift hours are paid their hourly rate or salary and are eligible for a \$1.00 per hour shift premium. This premium will remain in place, as long as, the employee continues to work the majority of their normal scheduled hours outside of normal 1<sup>st</sup> shift. If an employee transfers or is assigned to a regular 1<sup>st</sup> shift position he/she will no longer be eligible to be paid a shift premium.

A shift premium will also be paid to employees who have their normal scheduled hours changed to non-1<sup>st</sup> shift hours for 3 or more days in a pay period to benefit the company. When an employee is eligible for a temporary shift premium, it will be applied to the entire payroll period.

### **Call-In Pay**

Hourly, non-exempt employees who are called-in to work unscheduled or during off-work hours to do work for the company will be paid for a minimum of 4 hours. This does not apply if you are called-in early prior to your scheduled shift or if work continues beyond your normal scheduled shift. Call-in pay will be based on your regular pay rate and overtime rates will apply when applicable.

### **Performance Reviews**

Performance reviews are an important tool used to evaluate individual performance, to provide feedback to employees and to help determine merit increases. Reviews are intended to provide an objective, consistent and fair way to measure on-the-job effectiveness. This process should provide an opportunity to discuss work expectations, to recognize high performance areas, to identify areas where improvement can be made, training opportunities, and related items.

## **Discretionary Bonus**

The Company will conduct a bonus review after year-end with consideration of after-tax net profits for the prior 3 years to determine if a Bonus will be awarded and to determine the value of such bonus.

Once it is determined that a Bonus will be paid, the following steps will be used to determine who qualifies for a bonus:

### **Full-Time Employees:**

In order to be eligible to receive a Full Share Bonus, a Full-Time Employee must be actively employed at the beginning of the recently completed fiscal year and on the date of the actual payment of the All Company (Discretionary) Bonus.

Full-Time Employees hired during the recently completed fiscal year and who are still employed on the date of actual payment of the All Company (Discretionary) Bonus, may be eligible to receive a Partial Share Bonus based on their hire date.

### **Part-Time Employees:**

Regular Part-Time Employees (not seasonal) who are employed at the beginning of the recently completed fiscal year, who are still employed on the date of the actual payment of the All Company (Discretionary) Bonus will also be eligible for a determined piece of the bonus based on a couple different factors.

Paid Time Off (PTO) cannot be used to adjust or extend an employee's termination date to assist an employee is becoming eligible for the All Company (Discretionary) Bonus.

All Employees are directed to Appendix A, which is the complete TriOak Foods All Company (Discretionary) Bonus Program and is attached as page 33 through 34 in the Employee Handbook.

## **Production Related Bonus**

The Company provides production related bonuses for various departments. These include: Sow Farm Bonus Program, Fieldstaff / Marketing Bonus Program, Boar Stud Bonus Program, GDU Bonus Program, Driver Bonus Program and Metrix Bonus Program.

Employees are eligible to participate in a specific bonus program based on their role / department.

## New Employee Referral Bonus

The Company encourages current employees to refer reliable, qualified, trustworthy candidates for possible employment within our operations. If an applicant lists a current employee's name as the referral source and is hired, the referring employee will be eligible to receive a \$1,000 New Employee Referral Bonus. The Referral Bonus will be paid in two installments: \$500 when the new employee completes 90 days of employment with TriOak and \$500 when the new employee completes six months of employment with TriOak.

All Employees are directed to [Appendix B](#), which is the complete TriOak Foods New Employee Referral Bonus Program and is attached as page 35 in the Employee Handbook.

## Paid Time Off (PTO)

The purpose of Paid Time Off is to provide employees with paid time off from work that can be used for such needs as vacation, personal or family illness, doctor appointments, school, volunteerism and other activities of the employee's choice. PTO may be taken in as little as 2-hour increments.

Each full-time employee will accrue PTO bi-weekly in hourly increments based on their length of service as defined below. PTO is added to the employee's PTO bank when the bi-weekly paycheck is issued. All full-time employees of TriOak Foods will be awarded accrual hours as follows:

From July 1, 2021 through June 30, 2022:

<b>Years of Employment As of July 1, 2021</b>	<b>Accrual Per Pay Period</b>	<b>Maximum Annual Accrual</b>
0 to 6 months of Employment	2.3076 x full pay periods worked	Up to 120 hours per year – front loaded up to 40 hours
7 months to 10 years of employment	2.3076 x full pay periods worked	Up to 120 hours per year – front loaded up to 60 hours
10 plus years of employment	3.0768 x full pay periods worked	Up to 160 hours per year – front loaded up to 80 hours

From July 1, 2022 and forward:

<b>Years of Employment</b>	<b>Accrual Per Pay Period</b>	<b>Maximum Annual Accrual</b>
0 to 10 years of employment	4.6152 x full pay periods worked	Up to 120 hours per year = 15, 8-hour days per year
10 plus years of employment	6.1536 x full pay periods worked	Up to 160 hours per year = 20, 8-hour days per year

To encourage employees to take time off throughout the year, the maximum PTO balance an employee can have at any time will be as follows:

<b>Years of Employment</b>	<b>Maximum PTO Balance</b>
0 to 10 Years of Employment	160 hours
10 Plus Years of Employment	200 hours

Once this amount is reached the accrual will be suspended until PTO is used. There will be no “catch up” of PTO accrual missed due to having reached the maximum accrual level.

PTO is not earned in pay periods during which unpaid leave, short or long-term disability leave, or workers’ compensation leave is taken. Employees must use all of their accrued PTO at the beginning of a leave of absence other than a military leave. TriOak does not allow individuals to take unpaid days off, any exceptions require prior approval by Senior Management.

Employee may not use more PTO than is stated in their PTO bank as of the most recent paycheck. PTO may not be borrowed ahead. No negative PTO balances are allowed.

Upon termination of employment, employees will be paid for any earned, but unused PTO.

**Scheduling PTO Hours**

In an effort to manage our business and departments efficiently, all employees are encouraged to give as much notice as possible to allow appropriate scheduling. The department supervisor / manager must approve all PTO.

Wherever possible the following guidelines are used:

- Each department will develop specific limits and guidelines related to the number of employees that will be allowed to take PTO at the same time.
- Employees must give 48 hours of notice to their supervisor / manager when scheduling PTO Hours to allow time off for a partial day or 1 or 2 days off work.
- Employees must give 2 weeks of notice to their supervisor / manager when scheduling PTO Hours for 3 days or more.
- In the event that more employees request PTO than can be allowed, the supervisor will approve requests up to the department limit based on several factors that include seniority, the amount of notice provided, the availability of backup, etc.
- Scheduling exceptions related to emergencies, medical reasons, funerals, etc. must be approved by the department supervisor / manager.

Department Examples:

The Feed Department:

- A limited number of employees per work location will be allowed to schedule PTO time away from work at the same time.
- During the Christmas and New Year’s holiday very limited PTO will be allowed due to workload.
- Requests made that fall on a day either prior to or following any of the other four designated paid holidays will be reviewed and approved if all guidelines mentioned above have been followed.

- Work areas are defined as Office (Feed Orders), Mixing Room, Maintenance, Receiving and Truck Drivers.

The Grain Department:

- During Harvest very limited PTO will be allowed due to workload.
- During the non-Harvest period, the department supervisor will approve requests based on department scheduling needs and based upon the ability to assign employees to cover assignments in various locations.

**Excessive PTO Usage and Forfeiting of any Production (driver, sow, finishing, etc.) Bonus Payment:**

Any employee who takes time off of work in excess of the amount of their current PTO balance without prior approval by Senior Management will forfeit their potential earned bonus for that entire bonus period and risk termination of their employment.

In determining award eligibility in case of questions or disputes, the Human Resources Department and the Manager(s) will make a final determination related to eligibility for payment.

**Holidays**

TriOak Foods recognizes the following six paid holidays per calendar year. On these holidays, TriOak Foods Offices will be closed for business:

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

When the recognized holiday falls on a Saturday, the preceding Friday shall be considered the Company holiday. When the recognized holiday falls on a Sunday, the following Monday shall be considered the Company holiday.

To qualify for holiday pay, you must be a full-time employee and you must have worked the last working day prior to and the first working day following the holiday, unless either day was taken as scheduled vacation. Any holidays that occur during your vacation will not be deducted from your vacation time and will be recorded as holiday pay. Holiday pay will not be considered as time worked for the purpose of overtime calculations. Holidays will not be paid to employees on any type of unpaid leave.

Employees required to work on a company recognized holiday will receive additional pay as follows:

- Salaried employees who are required to work will receive four hours of compensation, in addition to, their eight hours of holiday pay.
- Hourly employees who are required to work will receive compensation for

all hours worked, in addition to, their eight hours of holiday pay.

Senior Management for each specific department must approve the list of employees that are receiving additional pay for working the holiday.

## **Wellness Program**

At TriOak, we care about our employee's well-being. We have a wellness program in place that focuses on our employee's health and encourages physical activity.

As part of our program we offer annual wellness screenings, wellness related activities throughout the year and provide incentive for those individuals who complete preventative exams.

## **Leaves of Absence**

The Company provides eligible employees with a leave of absence for certain necessary, compelling reasons or legally required reasons. The granting of a leave of absence will be determined by the Company in conjunction with applicable law. Except as otherwise required by law, the terms and conditions of all leaves are to the complete discretion of the Company. Unless required by law, an employee must be employed for at least 90 days before he/she is eligible to request a leave of absence.

## **Family and Medical Leave**

Pursuant to the Family and Medical Leave Act of 1993, eligible employees may request and receive up to twelve (12) weeks leave of absence in any 12-month period upon the birth of the employee's child; upon the placement of a child with the employee for adoption or foster care; when the employee is needed to care for a child, spouse, or parent who has a serious health condition; or when the employee is unable to perform the functions of his or her position because of a serious health condition. In addition, the Company may automatically place an employee on medical leave of absence if the employee is absent from work for more than a week due to illness or medical condition. The following guidelines will apply:

1. Leave under this policy is available for all full-time and part-time non introductory employees in the event of their own serious health condition. Leave for any of the other stated reasons is available only to employees who have been employed for at least 12 months and worked at least 1,250 hours during the 12 months preceding the commencement of the leave.
2. An employee on leave under this policy will be required to use any accrued but unused vacation benefits and may opt to use accrued but unused sick leave benefits if the leave is because of a serious health condition of the employee or the employee's spouse, child or parent. The balance of the leave will be without pay.
3. The Company may in its discretion require medical certification to support a claim for leave for an employee's own serious health condition or to care for a seriously ill child,

spouse or parent. For the employee's own medical leave, the certification must include a statement that the employee is unable to perform the functions of his or her position. For leave to care for a seriously ill child, spouse or parent, the certification must include an estimate of the amount of time the employee is needed to provide care. In its discretion, the Company may require a second medical opinion and periodic recertification at its own expense. If the first and second opinions differ, the Company, at its own expense, may require the binding opinion of a third health care provider, approved jointly by the Company and the employee.

4. If medically necessary for a serious health condition of the employee or his or her spouse, child or parent, leave may be taken on an intermittent basis or on a reduced leave schedule. If leave is requested on this basis, however, the Company may require the employee to transfer temporarily to an alternative position which better accommodates the recurring periods of absence or a part-time schedule, provided that the position has equivalent pay and benefits.
5. Spouses who are both employed by the Company are limited to a total of 12 weeks of leave (rather than 12 weeks each) for the birth or adoption of a child or for the care of a sick parent.
6. When the need for leave is foreseeable, such as the birth or adoption of a child, or planned medical treatment, the employee must provide reasonable prior notice, and make efforts to schedule leave so as not to disrupt Company operations. In cases of illness, the employee will be required to report periodically on his or her leave status and intention to return to work.
7. An employee who does not return to work upon expiration of the leave, will be deemed to have resigned from employment.
8. Upon return from leave, the employee will be reinstated to his or her prior position, or an equivalent position with equivalent pay, benefits and job conditions. The employee's seniority level will pick up where it left off at the commencement of the leave.
9. The Company will continue to pay the same portion of the employee's health insurance premium during the leave which it paid prior to the leave, if applicable, and the employee must arrange to pay the balance to the Company at least month, in advance.
10. Any issues regarding family and medical leave which are not specifically addressed above, will be resolved in accordance with the Family and Medical Leave Act of 1993 and regulations issued under that Act.

## **Funeral / Bereavement Leave**

Beginning with the first day of employment, in the event of a death in an employee's immediate family the employee will be allowed time off work with pay.



In the event of a death in an employee's **Immediate Family**, the employee will be provided 3 working days off with pay. For policy purposes, Immediate Family is defined as: spouse, father, mother, son, daughter, brother, sister, grandson, and granddaughter.

In the event of a death in an employee's **Extended Family** the employee will be provided 1 working day off with pay. For policy purposes, Extended Family is defined as: grandparents, father-in-law, mother-in-law, uncle, aunt, nephew, niece, son-in-law and daughter-in-law.

If additional time is necessary, an employee may use PTO Time from the account if it is available and if this has been approved through his / her supervisor. All other funeral leave must be taken as PTO Time and must be approved through his / her supervisor.

## **Jury Duty**

In an effort to support employee involvement in our legal system, TriOak Foods will protect your income for up to two weeks while you are on active jury duty. If you are called to be a defendant or if you are involved in a personal legal hearing, the jury duty policy does not apply.

For any employee who is summoned to appear in court as a juror, TriOak Foods will pay his/her regular rate of pay for the days on active jury duty.

## **Nepotism Policy**

TriOak Foods permits the hiring of a relative of a current employee as long as the individual meets the qualifications of the open position and is the most qualified candidate. TriOak Foods Management will consider the following when making hiring decisions specific to a relative of a current employee:

- No person will be hired full time, part time or seasonal for a position in a department in which their relative has direct supervisory or management responsibility except with the express authorization of TriOak Foods management.
- Management responsibility may extend through one or more level of Company and may include influence over compensation, benefits, work assignments, work hours, career progress or other conditions of employment.
- Exceptions may be made to this policy prior to the employment of any individual in site-specific instances. However, such arrangements are discouraged.

## **Education Reimbursement Program**

TriOak Foods supports employees who wish to continue their education in order to improve their job skills and growth in their careers with TriOak Foods by enrolling in formal education or training programs. Full-time employees who have completed one year of employment with TriOak Foods are eligible to submit a request to participate. A limited number of employees will be approved for participation in the program at one time. This program is created to benefit employees in their current job or in preparation for promotional opportunities only.

### **Benefit Guidelines**

Full-time employees approved for participation will be eligible for reimbursement as detailed:

- Reimbursement of 90% of tuition, lab costs, class fees and books associated with program-approved training / classes.
- The maximum per credit reimbursement cannot exceed \$250.00 per hour.
- Participation cannot exceed 6 semester or quarter hours at any given time and cannot exceed 15 semester or quarter hours in any given calendar year.
- In order to continue in the program participants must complete each course with a grade of "C" or above and turn in his/her grade report prior to being reimbursed for enrollment in future classes. Based on poor academic performance an employee's participation in this program can be terminated.

### **Program Participation Approval Process**

Full-time employees interested in participating in the Education Assistance Program should:

- Complete the Education Assistance Program Approval Form and provide it to his/her supervisor / manager.
- Request a discussion with his / her supervisor to review educational program interest; current status of education; and how continuing education will improve job skills and career growth.
- The employee's direct supervisor then will meet with next level manager and Human Resources to review for final approval.
- Since there are a limited number of reimbursements available through this program, participation may be delayed or denied based on specific circumstances. In such cases, the employee affected will receive a detailed explanation.

### **Education Expense Reimbursement Process**

Full-time employees participating in the Education Assistance Program should:

- Complete the Tuition Reimbursement Form with employee signature (and related documents and provide it to his / her manager for a signature.
- Once approved and signed, the form should be returned Human Resources. Human Resources will review, make a payment request to Accounting and maintain a copy in the Employee's Personnel File.
- Payment will be made directly to the employee as approved.
- Upon completion of each semester/quarter/course, the employee must provide grade details to Human Resources for the Employee File.
- In order to continue participating in the program each course must be completed with a passing grade, and a grade report must be presented prior to being reimbursed for enrollment in future classes.

### **Additional Guidelines:**

Since participation in this program is voluntary and at the employee's request, it is understood that the employee's job with TriOak Foods remains a priority and that the education program will not interfere with work duties. In this unlikely event, participation in this program can be terminated.

If a participating employee terminates his/her employment from TriOak Foods:

- The employee will be responsible for reimbursing TriOak Foods for 100% of the cost of classes that are currently underway and not completed; and
- The employee will be responsible for reimbursing TriOak Foods for pro-rated expenses if he/she leaves TriOak Foods less than 2 years after receiving reimbursement from the program.
- Where possible, the Company will reduce an individual's final payroll(s) to offset the amount of money owed to the Company according to the Education Reimbursement Program.

## **Insurance Benefits and Retirement Planning**

### **TriOak Foods Cafeteria Plan**

TriOak Foods provides all full-time employees an opportunity to elect health insurance, dental insurance, vision insurance, and/or participation in a flex spending program through a cafeteria plan. The benefits associated with the cafeteria plan for full-time employees are based on TriOak Foods making a benefits contribution to the employee's bi-weekly pay check which then is used to pay all of a portion of the employee's insurance and benefit elections.

Employees may use the contribution to help pay for medical insurance premiums, to pay for dental insurance premiums, to pay for vision insurance premiums, to create a flex spending account or a combination of the elections. Employees electing family medical insurance will be responsible to pay a portion of the bi-weekly premium cost of this coverage to offset the total cost of this election.

### **Health Insurance, Dental Insurance and Vision Insurance**

Because each employee's needs are different, this program allows employees to elect insurance options that best fit their personal situation. The Health, Dental and Vision Insurance Plan are Preferred Provider Plans.

Only Full-Time Employees are allowed to enroll in these benefit plans upon hire with elections going into effect on the 1<sup>st</sup> day of the month following their hire date. Such employees are also allowed to add dependents or enroll in the plan in the event of a Qualifying Event. A qualifying event does not allow an employee to change plan numbers; it only allows the addition / removal of dependents.

Eligible employees are allowed to make any changes to their insurance elections once a year according to the company insurance plan. During the month of June, you will receive a summary of your current election for your review. If you wish to make changes to your insurance choices, you must complete a new election form and return it to Human Resources during the month of June. All changes will be made effective July 1<sup>st</sup>.

As you are aware, insurance costs are a major expense for every company and TriOak Foods is no exception. High costs increase our premiums which in turn increases the out of pocket cost for employees and for the company. It is important that all of us be good healthcare consumers,

work to maintain healthy lifestyles and safe work habits. We all can impact the cost of this great benefit.

### **Life Insurance**

Although it is unpleasant to think about, the Company provides life insurance coverage to help protect your family's financial security or estate planning. All full-time employees are provided term life insurance at no cost to the individual at the end of an initial employment period.

Full-time employees will be enrolled in coverage at the amount of \$100,000. Married full-time employees are provided \$20,000 coverage for their spouse. Full-time employees with dependent children are provided \$5,000 coverage for each child.

### **Disability Insurance**

As a valuable benefit to protect your income, the Company provides disability benefit plans for full-time employees at no cost to the individual.

### **Short-Term Disability**

Short-term disability is an insurance plan designed to pay you for illness or injury that is incurred away from work. The plan pays up to 60% of your salary up to a maximum weekly benefit. This benefit begins on the 8<sup>th</sup> day of continuous disability. The benefit will continue to pay during disabilities that continue for up to 90 days.

### **Long-Term Disability**

Long-term disability is an insurance plan designed to pay you for a major illness or injury that is incurred away from work. The plan pays up to 60% of your salary up to a maximum weekly benefit. This benefit begins after 90 days of disability. The benefit may continue to pay during major disabilities that continue up to the age of 65.

### **Insurance Premiums During a Disability**

The Company will pay for the cost of the employee's insurance premiums for up to 6 months after an employee becomes disabled or unable to work.

In the event that an employee's disability results in an absence of more than 6 months, the employee will be allowed to continue medical, dental and/or vision insurance coverage under COBRA. During this period of time, the employee will be responsible to pay 102% of the entire insurance premium including the employee portion and the company portion of the premium. The company will not pay any portion of the insurance premiums once an employee's disability extends beyond 6 continuous months. This premium must be paid to TriOak Foods by the first day of each month to remain in effect.

## **Retirement / 401k Program**

The Company believes that all employees should be preparing for their financial future as soon as possible. As a benefit and as a tool to provide retirement planning opportunities to our employees (age 20 or older), TriOak Foods sponsors a 401k retirement plan.

As part of the plan employees may elect to defer a portion of their wage into a 401k plan, up to the IRS maximum limits.

- All employees are urged to contact TriOak's 401k Plan Provider to enroll and make changes related to your 401k.
- Employees who do not contact TriOak's 401k Plan Provider will be automatically enrolled in the Plan after an enrollment period. This means that 3% will be automatically deducted from each pay period and contributed into your 401k account. By contacting TriOak's 401k Plan Provider you can choose to contribute more, less or nothing at all.

Upon completion of 12 months of employment with TriOak Foods, the Company will provide funds in a match format as follows:

- TriOak Foods will match an employee's 401k contribution at a rate of 100% of the first 3% of the employee's deferral.
- TriOak Foods will match an employee's 401k contribution at a rate of 50% of the next 2% of the employee's deferral.
- Employee deferrals in excess of 5% will not be matched.
- Employees are 100% vested in the deferral and the company's match immediately.

Employee funds in the 401k plan are invested according to employee elections and plan guidelines. Each employee has the option of investing his/her 401k monies in various mutual funds and investment options based on projected risk and potential return.

Through the 401k provider, the company will offer investment options, information to educate employees on investment options and opportunities for employees to seek personal advice from investment professionals as part of the plan. Employees have the opportunity to change investment elections with our TriOak's 401k Plan Provider by phone or through the internet.

## General Company Policies

TriOak Foods Policies have been developed to help guide us in the way we operate as a business and as employees of TriOak Foods. We share responsibility for ensuring that these policies are communicated, understood and followed. This section outlines major policies that affect most of our daily work activities and relations with customers, each other and the public.

### Safety

We have a commitment to the safety of our employees, our customers and the public. As employees of TriOak Foods, we share the belief that all accidents are avoidable. Each employee plays a major role in his or her own safety as well as the safety of others.

Our workplace safety philosophy is based on the belief that each employee must:

- Work safely as a condition of hire and continued employment.
- Accept responsibility for his/her safety as well as the safety of others.
- Successfully complete training provided by the company.
- Be certain to prevent unsafe acts and eliminate/safeguard unsafe conditions.

Safety rules have been designed for your protection and to comply with legal requirements in our workplace. Here are some examples:

- Do not operate a machine or equipment unless you are authorized and trained for that machine or equipment.
- Always use the guards and safety equipment associated with your job.
- You must wear proper protective equipment specific to your position.
- As good housekeeping is necessary for safety, your work area must meet requirements of the department at all times.
- Safety Data Sheets (SDS) are available for potentially hazardous chemicals in our workplace. Review these sheets so you will know the necessary precautions while working with these chemicals.
- All injuries, no matter how slight, must be reported to your supervisor and receive first aid treatment if necessary. Please report all injuries when they happen to allow proper records and follow-up.
- If you have a work-related injury that requires more than first aid, you and TriOak Foods have responsibilities to assure that you receive appropriate medical treatment. If you incur such a work-related injury, please contact your supervisor and / or Human Resources to get assistance.

This listing is not all-inclusive as additional safety procedures, rules and instructions are developed. Everyone is accountable for the safety of our employees.

All Employees are directed to [Appendix C](#), which is the complete TriOak Foods Personal Protective Equipment Policy and is attached as page 36 through 40 in the Employee Handbook.

## **Worker's Compensation**

All employees are covered by Workers' Compensation insurance which provides work time lost and payment for medical expenses incurred as a result of an accident or injury which happens to you while on the job.

You must report immediately any such injury or illness (no matter how minor) to your Supervisor and the Human Resource Director so that a claim may be established. It is important that you furnish your Supervisor with complete and immediate information about any work-related accident in which you are involved.

## **Fairness and Respect**

It is the policy of TriOak Foods to ensure equal employment opportunity without discrimination on the basis of protected status under the law. Harassment on the basis of protected status may also be illegal discrimination. The Company prohibits discrimination and harassment on the basis of sex, race, age, religion, color, creed, disability, ancestry, national origin, veteran status, or any other protected status.

### **Sexual Harassment**

Sexual harassment and sex discrimination are against federal, state and local laws. It is the policy of TriOak Foods to abide by the laws that prohibit sexual discrimination, harassment, intimidation or coercion.

### **Offensive Behavior**

It is also the policy of TriOak Foods to maintain a working environment free from offensive, degrading, insulting, inappropriate or intimidating remarks and free from conduct that is unwelcome or offensive to a reasonable person. Such remarks may be based on a person's sex, race, age, religion, color, creed, disability, ancestry, national origin, veteran status or any other protected status.

### **Workplace Violence**

It is the policy of TriOak Foods to maintain a working environment free from threats, threatening behavior and acts of violence against employees, customers, visitors or other individuals by any employee customer, visitor or other person.

### **What You Should Do**

If you feel that you are being subject to discrimination, harassment, sexual harassment, or offensive or violent behavior or if you have witnessed such acts:

- If possible, you should tell the offending person to stop the offensive behavior or harassment;
- You should immediately contact your supervisor (or manager) and / or Human Resources.

## **Company Response**

If you report an incident of suspected discrimination, harassment or offensive or violent behavior in any form, TriOak Foods will promptly, investigate the report. To the extent possible, your report will be handled in a confidential manner; however, confidentiality cannot be guaranteed since the Company may investigate your report through interviews with other individuals. All employees are required to cooperate fully with any investigation. Failure to do so may result in disciplinary action, up to and including, termination of employment.

Discrimination, harassment, or offensive or violent behavior will not be tolerated. If investigation of a complaint produces evidence that such behavior occurred, appropriate disciplinary action will be taken immediately. Such action may include termination of employment, even for the first reported violation of this policy. Likewise, false reports of discrimination, harassment, offensive or violent behavior may also result in action, up to and including, termination of employment.

We assure you that you will not be subject to retaliation of any kind by the Company because you have reported an incident of suspected discrimination, harassment or offensive or violent behavior, or have provided information related to such an incident as part of a Company investigation.

## **Treatment of Animals**

TriOak Foods maintains a policy of Zero Tolerance related to animal cruelty. Based on this policy, TriOak Foods will not tolerate any form of cruelty to animals by our employees, contractors, vendors or others.

In the event that you observe or are informed of any mistreatment of our animals, you should immediately contact your supervisor or manager. In the event that the issue is not addressed, and the situation is not corrected, you should contact the next manager in the chain of command to report the situation further.

The employment of any TriOak Foods Employee engaged in cruelty to our animals will be terminated. In addition, the employment of an employee who fails to appropriately report animal cruelty to management may be terminated also.

## **Company Communications**

Open and regular communication is the basis of understanding and cooperation within TriOak Foods. In an effort to facilitate ongoing communication TriOak Foods has: implemented, weekly all-company conference calls, department meetings, monthly management team meetings, quarterly review meetings with management from all locations, quarterly newsletters, bulletin boards and other informal tools.

As with all communication, there must be two active parties involved in the process to create effective communication. Be sure to do your part by being an active listener and by asking relevant questions as they arise. If you wish to discuss an issue, ask questions or if you have a concern, be sure to visit with your supervisor or your manager. You may also discuss issues or review questions with senior management or Human Resources if necessary.



## **Social Media**

At TriOak Foods, we would like to always encourage appropriate engagement in social media, but we also understand that the use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media both personally and professionally, we have established guidelines we feel will help everyone gain a better understanding of what we consider appropriate use of social media.

The policy we have created applies to all employees of TriOak Foods and all those working on TriOak Foods behalf, such as consultants, contractors, temporary staff and vendors. This policy applies at all times (during working hours and non-working hours).

All Employees are directed to [Appendix D](#), which is the complete TriOak Foods Social Media Policy and is attached as pages 41 through 43 in the Employee Handbook.

## **Substance Abuse Policy**

TriOak Foods maintains a workplace free of drugs and alcohol. Inappropriate and unacceptable conduct and behavior is strictly prohibited and will be punished. At the same time, the Company encourages its employees to obtain assistance and help in dealing with substance abuse or alcohol problems. If you may have a substance abuse or alcohol problem, speak with your supervisor or Human Resources so that rehabilitation efforts can begin before a drug or alcohol problem puts your job, the safety of you and your coworkers, and your family's security in jeopardy.

All Employees are directed to [Appendix E](#), which is the complete TriOak Foods Substance Abuse Policy and is attached as pages 44 through 47 in the Employee Handbook.

## **No Smoking Policy**

We discourage smoking and the use of tobacco products and maintain a policy of providing a smoke-free work environment. This is a matter of health as well as safety. Smoking in Company facilities and Company vehicles is prohibited. In addition, smoking is prohibited within 20 feet of the feed mills, grain facilities, elevators, production facilities, and related areas.

## **Smoking Cessation Program**

TriOak Foods is firmly committed to supporting the health and well-being of our employees through a series of healthy lifestyle initiatives. This includes educating our employees on medical risk and offering solutions to improve the health and quality of life.

If you participate in the TriOak Health Benefits, the medical plan covers smoking cessation as preventative care. An office visit and a 90-day supply of a covered tobacco dependency drug would be covered with "no copay" two times in a calendar year.

TriOak offers a tobacco free incentive in the amount of \$500. To be eligible for the incentive you must:

1. Quit all forms of Tobacco 100%
2. Stay clean for six months

### **Payment Process:**

The Smoking Cessation Incentive will be paid as a Miscellaneous Pay on the eligible employee's payroll as soon as possible after the completion of staying tobacco free for six months. Keep in mind this incentive payout is income and taxes will be taken.

In determining award eligibility in case of questions or disputes, the Human Resources Department will be the final authority in determining eligibility for the completion of the smoking cessation program.

### **Attendance**

All Companies rely on the attendance of their employees to meet customer expectations every day. Frequent absences or repeated tardiness place an unfair burden on co-workers.

Basic attendance guidelines include:

- Excessive tardiness or unscheduled absences will result in disciplinary action, up to and including, termination of employment.
- If an illness or a personal reason prevents you from working as scheduled, you must notify your supervisor and follow your location guidelines for reporting absences.
- If you are unscheduled absent without contacting your supervisor, you may be counseled and/or disciplined. Based on your no show/no call TriOak may assume that you have voluntarily terminated your employment with the Company.

### **Personal Cell Phones for Work Purposes**

TriOak Foods provides office phones and related equipment for use by employees within our facilities. The Company telephone and related equipment is provided for business use and should be treated accordingly. Personal calls should be kept to a minimum.

In addition, the Company has developed a program for employees whose positions require them to carry a cellular telephone due to necessary access at various off-work hours, work-related travel requirements and safety precautions. This program is designed to offset some expense associated with the purchase of additional cell phone minutes for designated employees, but it is not designed to pay for the entire cell phone expense every month. Employees who are eligible for reimbursement for cellular phones are asked to maintain their phone in working order (charged and active) and to have them on to allow contact from co-workers, customers and others business contacts.

Management will be considering factors including normal work location, travel requirements, hours availability, safety, etc, when determining the appropriate employees who are eligible for payment through this program.

Eligible employees will receive monthly compensation to offset some of the expense of carry a personal cell phone for work purposes. After reviewing “normal monthly costs” related to current cell phones, eligible employees will receive a monthly compensation benefit in the amount of \$35.00 (\$16.16 per payroll). This will go into effect on June 1, 2019. Periodic reviews will be done to evaluate this current policy and benefit and could be subject to change.

### **Air Cards**

Management will consider factors specific to work needs to determine if an employee needs to have access to data while working away from an office. Those factors will include, but are not limited to, normal work location, travel requirements, hours availability, safety, etc, when determining if an employee is eligible for a company provided air card.

All Employees are directed to [Appendix E](#), where the complete TriOak Foods Mobile Phone Policy is attached as page 48 in the Employee Handbook.

### **Vehicles and Drivers**

TriOak Foods expects each driver to drive in a safe and courteous manner. Operation of a company vehicle is both a privilege and a responsibility, not a right. The attitude you take when behind the wheel is the single most important factor in driving safely. This would apply to all drivers who may be engaged in the operation of any company owned vehicle including employees who drive a company vehicle on a regular basis in completing their work requirements and those employees who drive only occasionally for work.

All Employees are directed to [Appendix G](#), where the complete TriOak Foods Company Vehicle Policy is attached as pages 49 through 53 in the Employee Handbook.

### **Computers, Email, Voicemail, Internet Usage**

The Company provides employees with various electronic resources so that they can efficiently perform their jobs. This equipment may include telephones, computers, voicemail, email access, internet access, modems, software, etc.

It is TriOak Foods Policy to ensure the proper use of Company equipment. The equipment (including the information created, transmitted and stored) is at all times property of the company and is not the private property of any employee. All equipment and the information created, transmitted, stored, etc. may be monitored or reviewed as deemed necessary by the Company without further notice.

If you use Company equipment or resources, we expect that you do so responsibly and appropriately as needed in your position. The company equipment and resources shall not be used for voluntarily or intentionally accessing, transmitting, displaying, printing, posting, copying or distributing any material that:

- Exposes the Company to criminal or civil liability or is in any way a violation of any applicable law;
- Is confidential information of the Company (except to the extent authorized by the Company and for the Company's benefit);
- Is confidential information of others;
- Is obscene, vulgar, pornographic or otherwise offensive to a reasonable person.

The electronic mail system (email) is not to be used in ways that are offensive to others, disruptive or in ways that are inconsistent with the professional image of the company. Wide distribution of non-business-related emails (including chain letters, jokes, etc.) is prohibited.

The Company understands that some personal usage of equipment and / or resources will take place. However, this personal usage will only be permitted to the extent that such use:

- Is limited in nature and does not in any way interfere with the employee's performance or the performance of any other employee;
- Does not incur additional cost to the company and does not interfere with the use of the equipment and / or resources for business purposes;
- Is not for any other business activity of the employee;
- Is not contrary to any law or policy.

## **Company Credit Cards**

TriOak Foods utilizes a corporate credit card system for approved employees to make job-related purchases.

In the past, purchases were made through personal credit cards, vendor accounts, employee payment with company reimbursement, etc. The corporate credit card system allows TriOak Foods to better track department expenses, provide a better tool to review expenses, separate business from personal expenses and track each purchase to a single card. It also provides labor savings and improved cost controls in the purchasing department and in accounting. Each approved employee is directed to use their corporate credit card for all job-related purchases and must maintain receipts and complete on-line reporting of expenses monthly.

### **Policy / Procedures**

1. Credit cards will be issued to certain employees after approval by the department manager and the Controller. The credit limit on each card is at the discretion of the department manager and Controller.
2. Credit cards should be used for business purposes only and should not be used for personal purchases of any type. If the corporate credit card is inadvertently used for personal purposes, prompt reimbursement is expected from the employee and should be delivered to the Controller or CFO. (See separate instructions for reporting within the online reporting system.)

3. Cash advances on credit cards are not allowed.
4. Detailed receipts for all purchases must be retained by the cardholder to account for card purchases monthly.
5. Notice of billing statement will be available each month to each cardholder.
6. Each cardholder must provide receipts and purchase transactions details, along with related descriptions and departmental coding in the online reporting system. (See separate instructions for online credit card reporting system.)
7. Managers will review and approve each statement for their department in the online credit card reporting system.
8. Cardholders will be required to sign an agreement indicating they accept these terms. Individuals who do not adhere to these policies and procedures risk revocation of their credit card privileges and/or disciplinary action.
9. In the event of a lost or stolen card, the employee must report the situation immediately to their manager or the Controller.

## **Company Travel**

TriOak Foods will provide a clear and consistent set of guidelines and procedures for employees incurring travel, entertainment and other business-related expenses on behalf of TriOak Foods, Inc. We have outlined how TriOak Foods pays for business travel incurred by all employees, including full-time, part-time, permanent and temporary employees seeking reimbursement from TriOak Foods.

All Employees are directed to [Appendix H](#), where the complete TriOak Foods Travel Policy is attached as pages 54 through 64 in the Employee Handbook.

## **Disciplinary Procedure**

Every place of business must have certain rules of conduct to guide its employees and to maintain proper levels of professionalism, harmony, and productivity. When the rules are not followed, action will be taken in the best interest of the entire organization. Employees are expected at all times to comply with the rules of conduct and other guidelines set forth in these employment policies; to display proper respect for and courtesy toward their coworkers and customers; to accept and carry out all job assignments; to refrain from insubordination, carelessness, mishandling of Company property, and repeated absenteeism/tardiness; and to avoid any other conduct which is disruptive or adverse to the best interests of the Company or its customers. Whenever an employee fails to do so, disciplinary action will be imposed.

Employee disciplinary action may take the form of:

- First offense – oral warning, immediate correction, and re-training.
- Second offense – Written warning / coaching with a copy to employee's personnel file

- The objective of coaching is to provide guidance to employees for improvement in performance and/or work habits to increase probability of success in production and longevity of employee. We do not intend to terminate a person with a coaching form.
- Third offense – written corrective action and possible termination
  - The objective of corrective action is to provide guidance to employees for improvement in performance and/or work habits which if not improved, will require formal consequences such as demotion, suspension, change in position, probation, or termination of employment.

In each case, the appropriate disciplinary action will be determined in the discretion of the employee’s supervisor, Human Resources, or other appropriate Company management, depending on the specific circumstances and the employee’s prior work record and conduct. Whenever possible, disciplinary action will be designed to assist the employee in improving his or her performance or conduct, and not to be punitive in nature, but severe action may be taken without prior warning whenever deemed necessary.

This policy does not alter the at-will nature of any employee’s relationship with TriOak Foods.

## **Visitor’s Policy**

All visitors to any TriOak Foods Location are required to follow policies specific to their purpose and the specific location they are planning to visit.

Visitors to TriOak Foods Corporate Offices, Grain Offices and Grain Facilities are required to report to the Office at that specific location and to sign required documents to be allowed on our property. Contractors are subject to the **Notification and Contractor Safety Policy**. Visitors to hog production facilities (sow farms, finishers, gilt development units and other types of locations) are subject to the **TriOak Foods Biosecurity and Visitor Authorization Policy**.

## **Weapons Policy**

TriOak Foods believes it is important to establish a clear policy that addresses weapons in the workplace. Possession of weapons is prohibited upon TriOak Foods property or vehicles, except when the weapon is left in a locked private vehicle. No person shall enter a TriOak Foods property or vehicle while in possession of a weapon, except where such weapon is required in your job. Weapons must be cased, locked and unloaded while in a vehicle.

A “weapon” for purposes of the policy is defined to include any instrument or device designed for use in inflicting death or injury upon a human being and which is capable of inflicting death upon a human being when used in the manner for which it was designed. Weapons include, but are not limited to pistol, revolver, shotgun, rifle or other firearms.

TriOak Foods reserves the right to inspect any person or persons or any personal property on TriOak Foods' premises and any TriOak Foods property for weapons. This includes but is not limited to lockers, furniture, containers, desks, drawers, equipment or other facilities, lunch boxes, briefcases, personal bags, personal tool boxes, and TriOak Foods vehicles and vehicles parked on TriOak Foods premises.

Any employee disregarding this policy will be subject to immediate termination.

## **Appropriate Work Attire**

As part of our Core Values and commitment to our image, TriOak intends for our people to portray an appropriate, professional image at all times when we are working in positions that interact with our customers, our partners and the public. For this reason, we are implementing the following guidelines for appropriate attire that employees should wear when representing the company.

**Management and Office employees:** All employees in these roles shall dress in a manner that is appropriate for doing business in a casual environment. Closed toe shoes, hard hats and safety glasses should be worn when walking through the milling or grain areas. TriOak Logo clothing is encouraged, but not required for management and office employees.

**Finishing, Fieldstaff, Site Management:** All employees in these roles shall dress in a manner that is appropriate for doing business in a casual environment. Steel toed shoes, hard hats and safety glasses should be worn when walking through the milling or grain areas. TriOak Logo clothing is encouraged, but not required.

**Grain and Milling Operations Employees:** TriOak Grain Employees and Milling Employees are often the face associated with TriOak to our customers, local growers, and the public. Employees are responsible to dress appropriate for their role at the start of their shift. All employees are to wear either full length denim jeans or other appropriate work pants, steel toed shoes, hard hats and safety glasses should be worn when working in the milling or grain areas. Shorts are not to be worn unless approved by management in times of extreme heat indexes.

**Feed Truck Drivers:** TriOak Feed Truck Drivers are highly visible and are often the face associated with TriOak to our customers, local growers, and the public. Employees are responsible to dress appropriate for their role at the start of their shift. All employees are to wear either full length denim jeans or other appropriate work pants, steel toed shoes, hard hats and safety glasses. Shorts are not to be worn unless approved by management in times of extreme heat indexes.

**Internal Transport Truck Drivers:** TriOak Foods recognizes the need to balance our PPE requirements for Internal Transport Drivers with a sound bio-security policy. Due to the nature of their duties, all Internal Transport Drivers are highly visible and are often the face associated

with TriOak to many of our customers, contract growers, and the public. Shorts are allowed to be worn in this role as employees must comply with bio-security Issues. Steel toed shoes, hard hats and safety glasses should be worn when working in the milling or grain areas. It is each employee's responsibility to keep their clothing in good repair so that they project a professional image and maintain bio-security protocols.



## Appendix A

### All Company (Discretionary) Bonus

As in past years, the Company may provide a bonus on a discretionary basis depending on Company after-tax net profits, employee performance, and other factors. The company will also consider the after-tax net profits using a 3-year average.

The Company will conduct a bonus review after year-end with consideration of after-tax net profits for the prior 3 years to determine if a Bonus will be awarded and to determine the value of such bonus.

Once it is determined that a Bonus will be paid, the following steps will be used to determine who qualifies for a bonus:

#### **Full Time Employees:**

- In order to be eligible to receive a **Full Share Bonus**, a Full Time Employee must be actively employed at the beginning of the recently completed fiscal year and on the date of the actual payment of the All Company (Discretionary) Bonus.
- Full Time Employees hired during the recently completed fiscal year and who are still employed on the date of actual payment of the All Company (Discretionary) Bonus, may be eligible to receive a **Partial Share Bonus** based on their hire date using the following guidelines.
  - Full Time Employees hired after January 1<sup>st</sup> of the fiscal year but **before April 1<sup>st</sup>** of that year are eligible for 75% of a Full Bonus.
  - Full Time Employees hired after April 1<sup>st</sup> of the fiscal year but **before July 1<sup>st</sup>** of that year are eligible for 50% of a Full Bonus.
  - Full Time Employees hired after July 1<sup>st</sup> of the fiscal year but **before October 1<sup>st</sup>** of that year are eligible for 25% of a Full Bonus.
  - Full Time Employees hired **after October 1<sup>st</sup>** of the fiscal year are not eligible for a bonus at year-end after they are hired.

#### **Part Time Employees:**

- Regular Part Time Employees (not seasonal) who are employed at the beginning of the recently completed fiscal year, who are still employed on the date of the actual payment of the All Company (Discretionary) Bonus and who work a **minimum of 1400 hours during the fiscal year are eligible for 50% of a Full Bonus.**

- Regular Part Time Employees (not seasonal) who are employed at the beginning of the recently completed fiscal year, who are still employed on the date of the actual payment of the All Company (Discretionary) Bonus and who work **less than 1400 hours during the fiscal year are eligible for a smaller Partial Bonus based on their earnings.**

Paid Time Off (PTO) cannot be used to adjust or extend an employee's termination date to assist an employee in becoming eligible for the All Company (Discretionary) Bonus.

## Appendix B

### New Employee Referral Bonus Program

In an effort to identify and hire good full-time employees, TriOak Foods is encouraging current employees to refer reliable, qualified, trustworthy candidates for possible employment within our operations. If an applicant lists a current employee's name as the referral source and is hired, the referring employee will be eligible to receive a \$1,000 New Employee Referral Bonus. The Referral Bonus will be paid in two installments: \$500 when the new employee completes 90 days of employment with TriOak and \$500 when the employee completes six months of employment with TriOak.

#### Eligibility:

The New Employee Referral Bonus program is available to all current full-time employees with the exception of:

- Senior Management
- Regional Sow and Finishing Production Managers
- Farm Production Managers
- Hiring Manager

Keep in mind the following:

- To be eligible for payment, the referring employee and the referred candidate must still be working for TriOak Foods on the date that the new employee completes 90 days of work and also on the date that the new employee completes six months of work.
- A Referral Bonus will not be paid for hires who have worked for TriOak in the prior 24 months.
- Applicants must indicate the referring employee on the application form and/or prior to being offered a position.
- The \$1,000 will be split evenly amongst the number of referring employees listed on the application. For example, if two referring employees are written, they both will receive \$500. If only one is still employed but two were written, the TriOak employee will receive \$500.
- The selection process for open positions will be fair, consistent and legal in order to hire the best candidate for openings. An applicant's relevant work experience, other work history, education, job fit, performance in an interview and references will be considered when selecting new employees. There will be no bias for or against applicants based on whether they are referred by a current employee.

#### Payment Process:

The New Employee Referral Bonus will be paid as a Miscellaneous Pay entry on the eligible referring employee's payroll as soon as possible following the New Employee's completion of 90 days and 6 months of work. Keep in mind that a Referral Bonus (as with any bonus) is income and taxes will be taken.

In determining award eligibility in case of questions or disputes, the Human Resources Department will be the final authority in determining eligibility for referral bonus payment.

## Appendix C

### Personal Protective Equipment Policy

A safe working environment and working safely are conditions of employment at TriOak Foods. As part of our Core Values, TriOak Foods intends to make sure that our workers are provided a safe environment and safe processes. For this reason, the following Personal Protective Equipment Policy is being implemented. Failure to comply with these policies will result in progressive discipline up to and including termination of employment.

**Disciplinary Action:** When an employee fails to follow TriOak Personal Protective Equipment policy, disciplinary action will be imposed.

Employee disciplinary action may take the form of:

- First offense – oral warning, immediate correction, and re-training.
- Second offense – Written warning / coaching with a copy to employee’s personnel file
  - The objective of coaching is to provide guidance to employees for improvement in performance and/or work habits to increase probability of success in production and longevity of employee. We do not intend to terminate a person with a coaching form.
- Third offense – written corrective action and possible termination
  - The objective of corrective action is to provide guidance to employees for improvement in performance and/or work habits which if not improved, will require formal consequences such as demotion, suspension, change in position, probation, or termination of employment.

### **TriOak Grain Employees, Feed Mill Employees and Drivers:**

**Head Protection:** All grain and milling employees, contractors, and visitors are required to wear hard hats at all TriOak grain and milling locations. Hard hats are to be worn anytime an employee, contractor or visitor is on the job on TriOak campuses with the exception of walking to and from the parking lots to access vehicles, inside administration offices, inside Feed Mill Control Rooms, inside vehicles, inside the truck shop, inside the wash bays and truck dryer shed, and when walking outside on our property. The company will provide approved hard hats for all employees. Employees will be responsible for keeping the hard hats clean and an appropriate representation of TriOak Foods.

**Eye Protection:** All employees, contractors, and visitors are required to wear safety glasses at all TriOak grain and milling locations. Safety glasses are to be worn anytime an affected person is on the job on TriOak campuses with the exception of walking to and from the parking lots to

access vehicles, inside administration offices, inside Feed Mill Control Rooms, inside vehicles, inside the truck shop, inside the wash bays and truck dryer shed, and when walking outside on our property. The company will provide approved eye protection for all employees, including those that require prescription eyewear.

**Foot Protection:** All operations employees, feed truck drivers, and contractors are required to wear work boots that are at least 6" high with ANSI approved safety toes, defined heels and appropriate non-slip soles at all TriOak grain and milling locations. Safety toes are to be worn anytime an employee, contractor or visitor is on the job on

The company will provide feed manufacturing, feed delivery, grain operations and internal transport employees with \$150 per calendar year in vouchers at preferred vendors or reimbursements for applicable boots purchased elsewhere.

Administration employees, Live Production Employees and other employees who do not routinely work in grain, milling and feed delivery operations will not qualify for the reimbursement.

**Hand Protection:** TriOak Foods recognizes there are multiple hazards that can affect our employees' hands. The company is committed to providing employees with the appropriate hand protection for whatever job they do. Leather gloves are recommended for most jobs in and around the feed mill and grain elevators. Cotton "chore" or "jersey" gloves are not appropriate for hand protection and are not to be worn when performing tasks associated with TriOak grain and milling. When opening tote bags and other packaging with a non-auto-retracting pointed blade, all employees will wear anti-cut gloves that provide a minimum of level 3 cut protection.

**Respiratory Protection:** Dust masks will be provided for employees for their use at work. There are no hazards in our facilities that require the use of dust masks. In order for an employee to wear a dust mask for their own comfort, they must complete the Appendix D form. Contact the Human Resource Department to request the form. No work that requires the use of air-supplying respirators or air-purifying respirators is to be performed by company employees.

### **TriOak Foods Internal Transport Drivers:**

TriOak Foods recognizes the need to balance sound PPE requirements for Internal Transport drivers with a sound Bio-Security policy.

**Eye Protection:** Given the hot humid environment that these employees work in to clean trailers, safety glasses are recommended, but not required.

**Foot Protection:** Due to the nature of their duties of handling livestock and maintaining a disease-free environment in their equipment, these employees are exempt from the above-mentioned safety shoe requirement when handling livestock and washing trailers. Nonslip soles are required for these activities.

**Clothing and Bio-security Guidelines:** These employees will be allowed to wear shorts when driving and washing. While loading and off-loading, they are to wear the clothing necessary to comply with TriOak bio-security protocols.

**Additional Guidelines While Performing Other Duties:** When working at TriOak locations and while completing duties that do not involve live transport (i.e. the shop or mill) Internal Transport Employees will be required to follow PPE requirements for those duties.

### **TriOak Foods Sow Production Facilities**

**Eye Protection:** Safety goggles/glasses will be provided for employees for use while working on sow facilities. Employees are required to wear safety glasses/goggles at all times when working in a sow production facility. TriOak will provide approved eye protection for all employees, including those that require prescription eyewear.

**Foot Protection:** Footwear will be provided for employees for use while working on sow facilities. Footwear needs to have good traction and waterproof properties to ensure employee's safety. For work outside a barn, it is recommended that rubber boots or work boots be worn. At no time may an employee perform work for the company while wearing sandals, or open-toed footwear. Footwear should also have the ability to be washed and kept clean.

**Hand/Wrist Protection:** Latex gloves or latex equivalent type of gloves will be provided for employees for use while working in the sow facilities. It is recommended that employees wear these gloves at all times. Certain tasks require the use of certain types of hand and wrist protection, such as fitted, cut-proof gloves for grinding, cutting and working with steel.

During any veterinarian services tasks, including administering vaccinations/medications, sewing and treatment of animal injuries and castration, all employees must wear disposable gloves to provide maximum protection against infection.

During animal movement, heat checking, cleaning and other routine tasks, it is recommended but not required that an employee wear an appropriate pair of gloves. It is highly recommended that proper fitting, non-slip gloves be worn during power washing to protect against developing blisters and minor cuts.

Gloves of any kind should not be worn while working on moving machinery where they may be caught such as any rotating or moving equipment.

**Hearing Protection:** TriOak Foods believes that the work environment and noise levels present in a typical hog confinement requires the use of either ear muffs or ear plugs with a noise reduction rating of 33 dBA. During normal operations, all employees will be required to wear hearing protection when processing or castrating pigs, feeding sows, power washing, vaccinating, weaning pigs, or when using any type of power tool. If using earmuffs, they should be inspected and cleaned periodically to maintain they are in proper working order.

**Respiratory Protection:** Dust masks will be provided for employees for their use at work. There are no hazards in our facilities that require the use of dust masks. In order for an employee to wear a dust mask for their own comfort, they must complete the Appendix D form. Contact the Human Resource Department to request the form. No work that requires the use of air-supplying respirators or air-purifying respirators is to be performed by company employees in the sow facilities.

**Rain Suits and Rubber Gloves when Disinfection Rooms:** Protective rain suits and non-slip rubber gloves, as well as, eye and face protection, will be provided for employees for use while working in the sow facilities and should be used when an employee is disinfecting a room. This PPE along with a face shield will not only keep a person dry, but it will also protect against chemical burns from disinfectants and protect an individual from the potential of getting hit with manure and flying debris. Protective non-slip rubber gloves should also be worn when power washing. This type of glove will offer protection from chemicals and other materials. In an effort to further protect our employee's eyes, goggles must be worn when disinfectant is being applied to minimize the opportunity for disinfectant to splash into an employee's eye. Disinfecting should be done in well-ventilated areas. Before disinfecting ensure ventilation is set accordingly to achieve this.

**Animal Handling:** Safe animal movement starts with trained handlers that understand basic pig instincts. Any individual handling animals must be PQA certified. Prior to moving animals ensure that both people and routes are prepared. Hallways and alleyways should be well-lit, clean and free of obstructions. Always use a sort panel when moving animals. Never push with the knees on the sort panel to move animals. Never attempt to wedge a sorting panel between the handler and a pig. If it comes loose it can result in injury to the handler or the pig. The appropriate method to carry a sorting panel is to keep it between the handler and the pig, not at the handler's side. If a pig turns around, the sorting panel can be used to attempt to visually stop the animal. Never physically fight or stop a charging animal. Keep the number of animals moved at once to a small, manageable number (4-6).

**Power Washing:** Power washer wands should always be equipped with quick release triggers with the wrist strap worn by the operator at all times to ensure water flow stops in the event the operator loses control. This is meant to protect the operator as well as others nearby. Triggers should not be secured with tape, wire, cable ties or any other fastener.

### **TriOak Foods Finishing**

**Eye Protection:** Safety goggles/glasses will be provided for employees for use while working. TriOak will provide approved eye protection for all employees, including those that require prescription eyewear.

**Foot Protection:** Footwear will be provided for employees for use while working in finishing facilities. Footwear needs to have good traction and waterproof properties to ensure employee's safety. For work outside a barn, it is recommended that work boots be worn. At no time may an employee perform work for the company while wearing sandals, or open-toed footwear. Employees are responsible for providing their own work footwear when not working inside a finishing facility.

**Hand Protection:** Latex gloves or latex equivalent type of gloves will be provided for employees for use while working in the finishing facilities. It is recommended that employees wear these gloves at all times. Certain tasks require the use of certain types of hand protection.

During any veterinarian services tasks, including administering vaccinations/medications, and treatment of animal injuries and castration, all employees must wear latex gloves to provide maximum protection against infection.

During animal movement, loadout, cleaning and other routine tasks, it is recommended but not required that an employee wear an appropriate pair of gloves. It is highly recommended that proper fitting gloves be worn during power washing to protect against developing blisters and minor cuts.

Gloves of any kind should not be worn while working on moving machinery where they may be caught such as any rotating or moving equipment.

**Respiratory Protection:** Dust masks will be provided for employees for their use at work. There are no hazards in our facilities that require the use of dust masks. In order for an employee to wear a dust mask for their own comfort, they must complete the Appendix D form. Contact the Human Resource Department to request the form.

**Knee Protection:** Knee pads or related protection will be provided for employees who choose to wear them. There are no hazards in our facilities that require the use of knee pads or related protection.



## Appendix D

### Social Media Policy

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

This policy applies to all employees of TriOak Foods and all those working on TriOak Foods behalf, such as consultants, contractors, temporary staff and vendors. This policy applies at all times (during working hours and non-working hours).

#### Guidelines

In the rapidly expanding world of electronic communication, *social media* can mean many things. *Social media* includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's blog, journal or diary, personal web site, social networking such as; (Facebook, Twitter, YouTube, LinkedIn, Instagram, Pinterest, Google+ and Snapchat) or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with TriOak Foods, as well as any other form of electronic communication.

The same principles and guidelines found in TriOak Foods policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Apply discretion and common sense. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates or otherwise adversely affects members, customers, suppliers, people who work on behalf of TriOak Foods or TriOak Food's legitimate business interests may result in disciplinary action up to and including termination. Keep in mind that "online is forever."

**Under no circumstances are employees allowed to post on any social media platforms pictures or video of TriOak animals or TriOak facilities. The only way an employee would be allowed to post pictures of TriOak animals or TriOak facilities would be if they are directed by a member of Senior Management to do so or they have been given written permission by a member of Senior Management.**

#### Know and follow the rules

Carefully read these guidelines and ensure your postings are consistent with TriOak Foods values. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Remember there is often no difference between personal and professional profiles when it comes to social media. Your personal activities on social media can have major impact on TriOak Foods.

### **Be respectful**

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

### **Be honest and accurate**

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

### **Post only appropriate and respectful content**

- Maintain the confidentiality of TriOak Foods private or confidential information. Confidential information may include processes, procedures, know-how and technology. Do not post internal reports, policies, procedures, pictures or other internal business-related confidential communications.
- Do not create a link from your blog, website or other social networking site to a TriOak Foods website without identifying yourself as a TriOak Foods' employee.
- Express only your personal opinions. Never represent yourself as a spokesperson for TriOak Foods. If TriOak Foods is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of TriOak Foods, fellow employees, vendors, customers, suppliers or people working on behalf of TriOak Foods. If you do publish a blog or post online related to the work you do or subjects associated with TriOak Foods, make it clear that you are not speaking on behalf of TriOak Foods. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of TriOak Foods."

### **Using social media at work**

Employees are encouraged to refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager or consistent with the TriOak Foods Employee Handbook.

The Company, however, understands that some personal usage of equipment and / or resources will take place. However, this personal usage will only be permitted to the extent that such use:

- Is limited in nature and does not in any way interfere with the employee's performance or the performance of any other employee;
- Does not incur additional cost to the company and does not interfere with the use of the equipment and / or resources for business purposes;
- Is not for any other business activity of the employee;
- Is not contrary to any law or policy.
- Do not use TriOak Foods' email addresses to register on social networks, blogs or other online tools utilized for personal use.

### **Retaliation is prohibited**

TriOak Foods prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

### **Media contacts**

Employees should not speak to the media on TriOak Food's behalf without contacting the Communications Manager or a member of Senior Management. All media inquiries should be directed to the Communications Manager or a member of Senior Management.

### **For more information**

If you have questions or need further guidance, please contact Human Resources.

## Appendix E

### Substance Abuse Policy

TriOak Foods maintains a workplace free of drugs and alcohol. Inappropriate and unacceptable conduct and behavior is strictly prohibited and will be punished. At the same time, the Company encourages its employees to obtain assistance and help in dealing with substance abuse or alcohol problems. If you may have a substance abuse or alcohol problem, speak with your supervisor or Human Resources so that rehabilitation efforts can begin before a drug or alcohol problem puts your job, the safety of you and your coworkers, and your family's security in jeopardy.

**Employees committing any of the following acts shall be subject to disciplinary action, up to and including discharge:**

1. Use, possession, sale, or purchase of any illegal drug, any prescription drug without a valid prescription, or any "look alike" substance on Company property (which includes vehicles), at a Company sponsored function, or anytime the employee is on duty (or between the commencement and end of the employee's work day).

**Note:** Employees taking prescription medication or over-the-counter medication may bring such medications to work and take them during work hours only if complying with directions of the prescriber and the intended purpose of the medication and in accordance with package and physician directions. Where a prescribed medication or an over-the-counter medication may affect safety or work performance, the employee must notify Human Resources. The Company reserves the right to take appropriate action (including relieving the employee from work) if use of lawful medication is impairing or is deemed likely to impair the employee's faculties or work performance.

2. Consumption, possession, sale or purchase of alcohol on Company property (which includes vehicles), or any time the employee is on duty (or between the commencement and end of the employee's work day).
3. Being under the influence of any illegal drug or alcohol during working hours.
4. Failure to cooperate with the Company or any law enforcement authority in the investigation of any work-related incident involving drugs or alcohol.
5. Refusal to submit to a drug or alcohol test pursuant to this policy (including failure to produce a sample) or tampering with a drug or alcohol test or sample.

**Employees and employment applicants may be required to submit to drug and/or alcohol testing under the following circumstances:**

1. As a part of the application process, prospective employees will be required satisfactorily to pass a drug test. Any offer of employment is conditioned on negative test results. A confirmed positive drug or alcohol test will render an applicant ineligible for employment.
2. Drug and/or alcohol testing will be authorized (and the Company may require such testing) for an individual employee if the Company has reasonable suspicion that an employee is using or has used drugs or alcohol in violation of this policy.
3. Drug and/or alcohol tests (including unannounced or random tests) may take place if required by federal law or regulation, including regulation of the United States Department of Transportation, or by law enforcement.
4. As a part of the investigation of accidents in the workplace, drug and/or alcohol testing may be necessary. Drug or alcohol tests will be authorized (and the Company may require such tests) in situations in which an accident results in what would be a "reportable" injury under the Iowa Workers' Compensation Law (if suffered by an employee) or results in damage to property and/or equipment reasonably estimated to exceed \$1,000.
5. Drug or alcohol testing may be required by the Company, at the Company's sole discretion and without prior notice, during or after completion of drug or alcohol rehabilitation, for a period of up to one year following such rehabilitation.

**Testing procedures and standards.**

1. All non-DOT drug tests will measure for marijuana, cocaine, opiates (including morphine and codeine), amphetamines, methadone, methamphetamines, phencyclidine (PCP), barbiturates, benzodiazepines and controlled substances. All DOT tests will measure for marijuana metabolites, cocaine metabolites, amphetamines, opiate metabolites, and phencyclidine. Breath tests will measure for alcohol. For purposes of this policy, alcohol concentration greater than or equal to .04 grams of alcohol per 210 liters of breath shall be deemed to violate this policy.
2. At the time testing is administered, each employee or employment applicant subject to testing shall be accorded the opportunity to provide any information that the employee feels may be relevant to the test, including identification of prescription or nonprescription drugs currently or recently used, or other relevant medical information. Each employee or applicant will be provided a list of the drugs to be tested.
3. Where an initial test of one sample is positive for a drug being tested, a second confirming test from the remainder of the sample will be made using an

alternative method of analysis. For urine tests, split samples will be taken from the sample as provided by the employee.

4. For alcohol testing, breath testing devices, alcohol screening devices, and the qualifications of personnel administering initial and confirmatory alcohol testing pursuant to this policy will be consistent with regulations adopted as of January 1, 1999 by the United States Department of Transportation governing alcohol testing required to be conducted pursuant to the federal Omnibus Transportation Employee Testing Act of 1991.
5. Any employee subject to testing will be offered an opportunity to provide an explanation or to rebut a positive drug or alcohol test, including a drug test as confirmed by an alternate method of analysis.
6. For safety reasons, when an employee is required to submit to a reasonable suspicion drug or alcohol test, the employee will be temporarily removed from service until the results of the test are reported. If the test results are negative, the employee will be made whole for lost wages.

#### **Employee discipline related to testing.**

Discipline for a positive test will require receipt of a confirmed positive drug or alcohol test result. A confirmed positive drug test will be subject to the employee's right to explain or rebut the results and request and obtain an additional test of the sample, at the employee's expense. Any action taken against an employee as a result of a drug or alcohol test shall be based only on the results of the test, refusal or failure to provide a testing sample, tampering with the testing procedure or failure to submit to appropriate substance abuse evaluation or treatment.

1. Any applicant for employment who fails satisfactorily to pass a drug test will be ineligible for employment.
2. Any employee required pursuant to this policy to submit to a drug or alcohol test (except for unannounced or random drug tests, required pursuant to federal law) will be suspended without pay pending the results of the drug test.
3. Any employee who tests positive for drugs or alcohol on the first occasion will be required to submit to substance abuse evaluation and any recommended treatment and will not be disciplined if, and only if, the employee thereafter complies with this policy and with drug and/or alcohol evaluation and rehabilitation requirements and follow up drug and/or alcohol testing. For employees employed for twelve of the previous eighteen months and who test positive for alcohol, if the employee has health care coverage through the Company, the cost of evaluation and recommended rehabilitation will be apportioned under the terms of the health care plan. If there is no health care plan available under which the employee has coverage, costs will be shared equally between the Company and the employee. However, under no circumstances will the employer's share exceed \$2000.

4. Following a positive drug or alcohol test result (or other mandatory referral to substance abuse evaluation and treatment or rehabilitation), any employee who fails to complete the substance abuse evaluation or who fails to satisfactorily complete any recommended treatment or rehabilitation (including follow-up sessions and testing) will be immediately terminated.
5. Any employee who tests positive for drugs or alcohol on a second occasion (including testing imposed during or after evaluation and rehabilitation) will be immediately terminated.
6. Any employee who fails or refuses to provide a required drug or alcohol test sample (or who attempts to alter or tamper with a test or sample) will be immediately terminated.

## Appendix F

### Mobile Phone Policy

In an effort to provide protection to our company, our employees, our co-workers and the public in general TriOak Foods has implemented a Mobile Phone Policy.

#### **This policy is designed to establish a system that:**

1. Ensures the safe operation of Company owned vehicles as well as the safe operation of personal vehicles while being used for TriOak business.
2. Ensures the safety of drivers, passengers and the public.
3. Prevents / minimizes losses, damage and claims against TriOak due to motor vehicle accidents.

#### **This policy applies to all drivers who operate any company owned vehicle or who operate personal vehicles while doing TriOak business. This includes the following:**

1. Company vehicles specifically assigned to an individual.
2. Company "fleet" vehicles which are used on occasion in completing work requirements.
3. Employee personal vehicles which are being used to complete company business.

#### **While operating a company-owned vehicle or while driving a personal vehicle for company business:**

1. All texting is prohibited.
2. All talking on a hand-held mobile phone is prohibited.
3. All drivers who are using a mobile phone must use a hands-free headset which allows one-touch answering and dialing.
4. All drivers are prohibited from reaching for a mobile phone in a manner that requires the driver to change from a belted position.
5. The use a mobile phone is prohibited in construction zones and in high traffic situations.

Drivers who violate this policy while operating a company-owned vehicle or while driving a personal vehicle for company business will be subject to disciplinary action which could include termination of employment.

In addition, all TriOak Employees are urged to follow these same guidelines outside of work since distracted driving adds major risk to operating a motor vehicle.



## Appendix G

### Vehicle Policy

The purpose of this policy is to ensure the safety of our employees when driving, and to provide guidance on the proper use of company vehicles. TriOak expects each driver to drive in a safe and courteous manner. Operation of a company vehicle is both a privilege and a responsibility, not a right. The attitude you take when behind the wheel is the single most important factor in driving safely. This policy applies to all drivers who may be engaged in the operation of any company owned vehicle including employees who drive a company vehicle on a regular basis in completing their work requirements and those employees who drive only occasionally for work.

#### Qualifying to drive:

1. Must have a valid and current driver's license.
2. Allow a Motor Vehicle Records (MVR) Review.

**All new employees** who may drive a company vehicle as part of their position with TriOak will be required to sign a Fair Credit Reporting Act Authorization Form and have a pre-employment MVR review. Employee MVR records will be used to determine if that employee is qualified as a driver by TriOak standards and is insurable based on our insurance carrier's guidelines. Any new employee who is not qualified will not be allowed to drive a company vehicle.

**All current employees** who drive a company vehicle will have a Fair Credit Reporting Act Authorization Form on file. Employee MVR records will be reviewed periodically to determine if that employee remains qualified.

#### Employee-Assigned Company Vehicles:

1. Only authorized employees are allowed to operate Company vehicles or equipment.
2. Each department is responsible for approving and monitoring their use of vehicles and equipment.
3. Drivers are responsible for ensuring that vehicles and equipment are serviced, cleaned and in appropriate condition for ongoing use. Including all bio security protocols.
4. Any employee who has a drivers' license revoked or suspended shall immediately notify their Manager and the Human Resources Department. The employee must immediately discontinue operation of the company vehicle. Failure to do so may result in disciplinary action, including termination of employment.
5. All accidents in company vehicles, regardless of severity, must be reported to their Manager and the Human Resources Department. Accidents are to be reported as soon as possible.
6. Each driver is responsible for all moving violations and other related fines. All violations must be reported to their Manager and the Human Resources Department within 72 hours from time of violation.
7. Possession, transportation, or consumption of alcohol or illegal drugs by anyone in the vehicle is not allowed.
8. Smoking in company vehicles is prohibited.
9. Non-employees are allowed as passengers on a limited basis.

### **Company Pool Vehicles:**

1. TriOak Foods provides a fleet of company owned vehicles to be used by employees for work-related travel. A small pool fleet will be maintained at each of the TriOak offices for employee use as needed.
2. To request the use of a pool vehicle, the employee must be qualified to drive by company standards and be insurable by our insurance carrier's guidelines.
3. Employees should request a pool vehicle from the location to document the driver, planned destination and planned return time / date of the vehicle.
4. When an employee has received approval for use of a pool vehicle, they must complete the Sign-Out sheet in each vehicle that includes driver's name, date out/in and time out/in.
5. Each driver is responsible for all moving violations and other related fines. All violations must be reported to their Manager and the Human Resources Department within 72 hours from time of violation.
6. Non-employees are allowed as passengers on a limited basis.

### **Moving Violations Policy for Company Pool and Employee-Assigned Vehicles:**

Moving violations occurring within a 12-month time frame will be disciplined by following:

First	Documented Verbal Warning
Second	Written Warning & Re-Training
Third	Privilege of Company Vehicle Suspended for 30 days <b>(No Mileage Will Be Paid During Suspension Period)</b>
Fourth	Habitual Violation of TriOak Safe Driving Policy will result in termination.

***\*Major Moving Violations are handled in accordance with DOT laws and insurance company requirements for eligibility of driving privileges to be re-instated.***

***Examples of Major Violations include: DUI, DWI, OWI, OUI, Reckless Driving, Drag Racing, Vehicular Manslaughter, etc.***

### **Driver Safety Scorecard Policy for Company Pool and Employee-Assigned Vehicles:**

*(Scores will be calculated from GeoTab on a quarterly basis for review.)*

1. Verbal Warning with Documentation for Medium & High Risk
2. Written Warning with Documentation & Re-Training for Medium & High Risk  
**(Example: NSC Online 4-hr Defensive Driving)**
3. Privilege of Company Vehicle Suspended for 30 days  
**(No Mileage Will Be Paid During Suspension Period)**
4. Habitual Violation of TriOak Safe Driving Policy will result in termination.

***\*Will refer to sign-out sheets for Pool Vehicles with Quarterly Scores of Unsafe Driving***

### **Personal Mileage:**

1. Employees need to record and track personal miles on a regular basis. In December of each year you will be responsible for submitting an annual report of personal miles. At any given time, your manager could ask to review your records. To ease the accounting load, TriOak will use an estimated amount to be added to each payroll for the employee. In December of each year the company will true up the estimated amount to what the employee logged as personal miles. Failure to turn in a personal mileage report will result in 50% of the assigned vehicles mileage being allocated as personal. The value of all personal miles is treated as taxable income per IRS rules and subject to payroll withholdings.
2. Your record of personal miles tracked should include your TriOak assigned vehicle or any other TriOak Company Pool vehicle you might drive temporarily.
3. Commuting miles are personal miles. Other personal miles should be limited and as a convenience in conjunction with business use. In no way is a company vehicle to be used as a replacement for a personal vehicle.

### **Personal Vehicles Used for Work Purposes:**

1. Employees who drive their own personal vehicles while conducting company business must maintain at least the minimum state required liability automobile insurance. The Employee's personal automobile insurance is the primary coverage for liability and physical damage in the event of an accident.
2. Employees who drive their personal vehicles while conducting company business are expected to comply with applicable laws and regulations concerning the operations of motor vehicles.
3. Employees are responsible for moving violations and related fines.
4. Employees who drive their personal vehicle while conducting company business are reminded to turn in mileage to their manager for reimbursement. Using company credit cards or a WEX fuel card to fuel up personal vehicles is not allowed.

### **Driver Safety Rules:**

1. Driving on company business and/or driving a company vehicle while under the influence of drugs or alcohol that could impair your driving ability is prohibited and is sufficient cause for discipline, up to and including termination of employment.
2. While driving a company-owned or while driving a personal vehicle for company business note the following cell phone restrictions:
  - a. All texting is prohibited.
  - b. All talking on a hand-held mobile phone is prohibited.
  - c. All drivers who are using a mobile phone must use a hands-free headset or Bluetooth device if vehicle is so equipped which allows one-touch answering and dialing.
  - d. All drivers are prohibited from reaching for a mobile phone in a manner that requires the driver to change from a belted position.

- e. The use of a mobile phone is prohibited in construction zones and in high traffic situations.
3. No driver shall operate a company vehicle when his/her ability to do so safely has been impaired by illness, fatigue, injury, or prescription medication.
4. All drivers and passengers operating or riding in a company vehicle MUST wear seat belts.
5. The vehicle engine must be shut off, ignitions keys removed, and vehicle doors locked whenever the vehicle is left unattended.
6. Towing with a company vehicle is only allowed for work purposes.
7. Possession of weapons is prohibited upon TriOak Foods property or vehicles, except where such weapon is required in your job as detailed in the Employee Handbook, Benefits and Policy Manual.
8. All State and Local laws must be obeyed.

### **Vehicle Items**

Company vehicles must have the following standard items:

1. Current insurance verification
2. Current vehicle registration
3. Vehicle sized 1<sup>st</sup> Aid Kit

### **Commercial Motor Vehicle Driver Qualifications**

#### **Qualifying a New Commercial Motor Vehicle Driver:**

1. All candidates must have completed a TriOak Application for Employment.
2. TriOak will complete a review of each applicant's motor vehicle record. Applicants may be disqualified at this stage of the review process.
3. TriOak will verify an applicant's employment history specific to driving.
4. A review and copy of Commercial Driver's License will be completed. If necessary, an applicant may be required to get an updated license.
5. Notification is sent to vehicle insurance carrier to implement a review of the driving candidate and to get approval that this driver meets our carrier's expectations.
6. A review and copy of a Driver's Physical Exam is completed. If necessary, an applicant may be required to complete a current DOT Physical.
7. A Pre-Employment Drug Test must be completed prior to the driver performing any position associated with driving a Commercial Motor Vehicle.
8. All of these records will be maintained in the individual's Driver File.

#### **Current TriOak Commercial Motor Vehicle Drivers:**

1. TriOak will complete a review of motor vehicle records specific to accidents, violations and related issues for all Company Commercial Truck Drivers at least annually. TriOak Foods will determine the number and seriousness of violations, accidents and related issues that may occur before further action will be taken.

- **Action taken may include:**
  - i. Being placed on a watch list.

- ii. Being placed on probation from driving.
  - iii. Loss of driving privileges related to company vehicles.
2. TriOak will confirm that a Driver's Physical Exam is current for all Commercial Drivers. All Commercial Drivers must maintain a current DOT Physical.
  3. All Commercial Vehicle Drivers are included in a Random Drug Testing Pool and may be subject to testing. Drivers will be drawn from the Pool and will be required to test accordingly. DOT requirements will be followed in the event of a positive test.
  4. Additional Drug Testing will include Post-Accident Testing, For Cause Testing, Return-to-Duty Testing and Follow-Up Testing.
  5. Any driver who receives notice that his / her license to operate a commercial motor vehicle has been revoked, suspended or withdrawn must notify management during the current workday or immediately the following workday.
  6. Any driver who is convicted of violating, in any vehicle, a state or local law related to motor vehicles (other than a parking violation) must notify management within 30 days after the date it is received.
  7. Each driver will be responsible for moving violations and overload fines.
  8. Each driver is responsible for scheduling care and maintenance of the vehicle being used.

### **Driver Safety Scorecard Policy for Commercial Motor Vehicles**

*(Scores will be calculated from GeoTab on a quarterly basis for review.)*

1. Verbal Warning with Documentation for Medium & High Risk
2. Written Warning with Documentation & Re-Training Medium & High Risk
3. Suspended for 2 days with No Pay
4. Habitual Violation of TriOak Safe Driving Policy will result in termination.

### **Accident Procedures**

1. Call for medical aid if necessary.
2. Call the police. All accidents, regardless of severity, must be reported to the police. If the driver cannot get to a phone, he should write a note giving location to a reliable appearing motorist and ask him to notify the police.
3. Record names and addresses of driver, witnesses, and occupants of the other vehicles and any medical personnel who may arrive at the scene.
4. Complete the Vehicle Accident Information Form located in the Vehicle Binder.
  - i. Pertinent information to obtain includes:
    1. License number of other drivers
    2. Insurance company names and policy numbers of other vehicles
    3. Make, model, and year of other vehicles
    4. Date and time of accident
    5. Overall road and weather conditions
5. Do not discuss the accident with anyone at the scene except the police. Do not accept any responsibility for the accident. Don't argue with anyone.
6. Provide the other party with your name, address, driver's license number, and insurance information.

7. Immediately report the accident to your Manager and the Human Resources Department. Provide a copy of the accident report and/or your written description of the accident to the Human Resources department ASAP.
8. There will be a formal accident review conducted on each accident to determine cause and how the accident could have been prevented.
9. In the event of an accident, employee's driving a company vehicle or personal vehicle used for company purposes will be subject to a post-accident drug and/or alcohol test.
10. Anyone involved in an accident that results in one of the following will be required to take a drug test within 24 hours of the accident:
  - i. **Accident involves fatalities.**
  - ii. **Injuries requiring medical assistance.**
  - iii. **Police citations are issued.**
  - iv. **Damage to vehicles or property of an estimated \$3,000.00 or greater.**

### **Mandatory Negligent Accident Follow-Up Training**

Any accidents where the employee's negligence resulted in an accident that could have been avoided, will be required to complete re-training. Prior to their driving a company vehicle again, small vehicle drivers will be required to complete company approved training. Commercial vehicle drivers will take the refresher course at an approved commercial driving school.

### **General**

As a company, TriOak has worked to provide efficient and safe equipment for our employees. All employees are reminded of the importance that driver and vehicle safety can play on our vehicle insurance and repair costs. Always remember how our vehicles look, how they are driven, and how we act will all play a role in how TriOak is perceived by the general public.

## Appendix H

### Travel Policy

The purpose of this policy is to provide guidelines and establish procedures for employees incurring travel, entertainment and other business-related expenses on behalf of TriOak Foods, Inc. and to outline how TriOak Foods pays for business travel incurred by all employees, including full-time, part-time, permanent and temporary employees seeking reimbursement from TriOak Foods. TriOak Foods travel should be properly authorized, reported and reimbursed; under no circumstances may expenses for personal travel be charged to, or be temporarily funded by, TriOak Foods, unless otherwise noted in this policy. It is the traveler's responsibility to report his or her actual travel expenses in a responsible and ethical manner, in accordance with the regulations set forth in this policy. Any exceptions to the policy must be submitted for approval to your manager.

#### Policy Objectives:

- Ensure all employees have a clear and consistent understanding of policies and procedures for business related expenses incurred by the individual employee.
- Provide business travelers with a reasonable level of service and comfort at the lowest possible cost.
- Maximize the company's ability to negotiate discounted rates with preferred suppliers and reduce travel expenses.

#### Definitions

Expense Report: The approval form for requesting reimbursement for employee business travel expenditures. The Expense Report is used to document expenses incurred on Company business and the use of advance funds. The Company Credit Card Expense Report is available at <http://www.commercialcardadvisor.com/sdportal/home.view>. The Expense Report to be used for employee reimbursement is found at the end of this appendix.

Non-Reimbursable Costs: Any cost which is not considered to be business-related in accordance with the provisions of this Policy or any other Company policy or procedure, and therefore, will not be eligible for reimbursement to an employee.

Employee: Full-time, part-time, permanent and temporary employees performing work on behalf of the Company.

Manager: The head of a department.

Consultant: Any veterinary, nutritionist etc., or other customer who utilizes the Company's services.

## **Responsibility**

The Employee is responsible for incurring only those expenses that are reasonable and necessary to conduct Company business and is responsible for complying with the requirements of this Policy. Employees who do not comply with this policy may be subject to delay or withholding of reimbursement and may be subject to disciplinary action.

The **Manager** is responsible for ensuring that all Employee business travel and entertainment expenses are approved prior to committing Company funds. The responsible manager reviews the Expense Report to ensure the expenses incurred were reasonable and in compliance with Company policy.

The **Human Resource Managers** or **Chief Financial Officer (CFO)** is responsible for approving deviations from this policy.

## **TRAVEL AUTHORIZATION**

### **Submitting Travel Authorizations**

Travelers may not approve the reimbursement of their own travel expenses. In addition, an employee may not approve the travel expenses of an individual to whom he or she reports either directly or indirectly. All employees must obtain approval from the appropriate Manager prior to submitting their expense report.

### **Commuting Expenses**

Travel from an employee's residence to his/her normal place of business is treated as a commuting expense and is not reimbursable.

### **Travel Status**

Is considered business travel other than normal commuting as described previously. If an employee is working outside their normal shift hours. An employee is in "travel status" when he or she travels more than 80 miles, one way, (outside of their normal scheduled shift), from his or her home or office and is away more than four hours, or, has an early morning meeting more than 80-miles one way or requires multiple days from home.

Travel status initiates when an employee leaves his or her home or office, and travel status terminates when an employee returns to his or her home or office.

For purposes of this Policy, "office" means the employee's regular and continuous place of work.

Overnight accommodations within 80 miles of the employee's home or office require special approval of the appropriate Manager.

### **Necessity of Business Expenses**

All travel, entertainment and miscellaneous expenses must be directly related to the conduct of Company business or the employee will not be reimbursed. The employee should give strong consideration to alternatives to travel, e.g., conference call, video or audio conferencing. Wherever feasible, particularly for staff meetings, these alternatives should be used. Any off-site



staff conferences involving travel or hotel costs must be approved in advance by the CFO and/or Chief Executive Officer (CEO) or your Manager.

## **TRAVEL PLANNING**

### **Travel Agency**

The **Company has not entered into contracts with designated travel providers.** For these reasons, **all** travel for **all** departments within the Company must be booked by the individual employee. When submitting an expense report for reimbursement the employee must include the travel invoice/itinerary for all airline tickets, car rentals and hotels in order to be reimbursed. Failure to include these will result in the expense report being rejected and returned to the employee.

### **Reservation Procedures**

Employees or designated travel planners should make reservations as early as possible to **take advantage of advance purchase discounts.**

### **Payment of Travel Expenses**

Under guidelines established by TriOak Foods, company credit cards may be used when employees travel on official TriOak Foods business. Any employee issued such a card should use the card to pay for all expenses related to official company business travel, including lodging, airfare, food/entertainment, rental car, rental car fuel, and company car repairs, except where the card is not accepted or where direct billing is set up. Certain prepaid expenses such as transportation tickets and conference fees may be billed directly to the company. When driving a company car all employees will use the Wex® Fuel Card to purchase fuel for company car in your current possession. Do not use the Wex card for oil changes or any other company car repairs.

### **Air and Train Travel**

When possible, an employee should make every attempt to book flights at least 21 days in advance to take advantage of lower fares.

Frequent flyer or loyalty programs must in no way influence the traveler's fare type, flight choice or airline preference.

### **Upgrades for Air Travel**

Employees may upgrade at their own expense or by using frequent flyer miles, so long as there is no incremental cost to the Company. Upgrades may not be included on an Expense Report.

### **Bag Fees**

Employees shall make every attempt to eliminate bag fees, however, if the airline charges bag fees for plan company travel, the company will reimburse its employees for bag fees incurred.

## **Train Travel**

Employees are encouraged to use Amtrak as an alternative to air or auto travel if the journey could have been taken by air and the cost of the first-class rail doesn't exceed air travel, or if it saves time.

## **RENTAL CARS**

### **Rental Car Class and Basis of Payment**

A vehicle may be rented when renting would be more advantageous to TriOak Foods than other means of commercial transportation, such as using a taxi. Advance reservations should be made whenever possible. All employees are required to reserve rental cars in the midsize/intermediate/standard categories. If three or more employees are traveling together with luggage, a full-size vehicle may be rented. The traveler is responsible for obtaining the best available rate and rental car category commensurate with the requirements of the trip.

### **Insurance**

All insurance must be declined on US/Canada car rentals. Car Rentals outside of the US/Canada should always include the offered insurance.

### **Re-Fueling**

In general, car rental companies provide a full tank of fuel when an employee rents a vehicle. Rental cars should be returned with a full tank of fuel to avoid the re-fueling surcharge. This fuel purchase is a reimbursable business expense. Since car rental companies charge much higher rates for fuel, employees should make every effort to refill the tank before returning the rental car.

### **Accident Reporting**

If an accident should occur while an employee is conducting TriOak Foods business, the car rental company must be contacted immediately, and any required paperwork should be completed for the rental company. If necessary, the employee must file an accident report with the local police.

### **Tolls/Parking Fees/Fines**

Employees will be reimbursed for normal expenses incurred while operating a rented vehicle. Those could include, parking fees, fuel and tolls. Traffic violations will not be reimbursed under any circumstances and are solely the responsibility of the employee.

Vehicle rental charges billed directly to TriOak Foods will not be authorized. Rental car charges should be paid with the employee's company credit card or with a preapproved travel advance.

### **Parking**

Original receipts are required for parking fees (including airport parking - totaling \$25 or more. The lodging bill can be used as a receipt when charges are included as part of the overnight stay.

### **Tolls**

Original receipts are required for tolls totaling \$25 or more.

### **Miscellaneous transportation**

Original receipts are required for taxi, bus, subway, metro, ferry and other modes of transportation if costs are \$25 or more for each occurrence.

## **PERSONAL AUTOMOBILE USE**

### **Use of Personal Automobile in Lieu of Public Transportation or Rental Car**

Personal automobiles may be used for Company business if all the following conditions apply:

- Public transportation is inappropriate or impractical.
- Taxi/car services are more expensive or not available.
- Use of a rental car is more expensive.
- The driver has a valid driver's license.
- The driver has personal liability insurance coverage.
- The personal automobile complies with the safety requirements of the governing state.

The Company will reimburse employees for business use of personal vehicles based on the current IRS standard mileage rate for cars, pickups and vans, currently at \$.58 per mile effective 1/01/19. The IRS standard mileage rate considers all actual automobile expenses such as fuel and lubrication, towing charges, repairs, replacements, tires, depreciation, and insurance. Under Internal Revenue Service (IRS) regulations, travelers who claim this rate are not required to substantiate the actual costs of operating the vehicle but are required to substantiate business miles traveled. To be reimbursed for use of the employee's personal vehicle for business, employees must provide the following information on the Expense Report:

- Business purpose of the trip
- Date and location
- Receipts for tolls and/or parking
- Miles driven

The Company will also reimburse reasonable parking expenses (for example, parking at an airport while flying) and tolls.

**Note:** If a company car is not available, employees may use their personal automobiles for business purposes if the reimbursement cost of mileage is equal to and/or less expensive than renting a car, taking a taxi or using alternative transportation and/or saves time.

### **Use of Personal Automobile in Lieu of Commercial Air Travel**

When an employee uses his/her personal automobile on a trip where a plane or train normally is the approved means of transportation, the Company will reimburse the employee for mileage at the allowable mileage rate, but not to exceed the equivalent economy class train or air fare.

### **Violations of Law**

The Company will not reimburse for personal vehicle or rental car parking tickets, fines or traffic violations, even if these costs result from business travel.

### **Unallowable Expenses**

The Company will not be responsible for any damage to an employee's personal vehicle while on Company business.

### **Accidents**

Should an employee be involved in an automobile accident while on Company business, he/she should immediately report the accident to the appropriate local authorities, his/her manager and the HR Department.

### **HOTEL ACCOMMODATIONS**

Amounts paid or given to relatives or friends in cash or expenditures incurred to express gratitude for providing lodging are not reimbursable.

No lodging expense is authorized for trips within **80-miles** (160 miles round trip) unless there is a compelling business reason, the employee receives pre-approval from his/her Manager and the reason is fully documented in the Expense Report. For purposes of this procedure, the 80-mile distance is defined as **80-miles** in excess of the employee's normal commute.

Any expenses (other than lodging) claimed for reimbursement which are included on the hotel bill (e.g., meals, phone calls, internet access, copies, etc.) must be separately identified in the appropriate sections of the Expense Report.

### **Long-Term Hotel Stays**

Travelers staying a week or longer must inquire about weekly/long-term discounts and use an extended stay hotel where available.

### **Hotel Payment Procedures**

Both "room guarantee" and payment of actual lodging costs should be paid using the Company Credit Card or travel advances and submitted on an Expense Report for reimbursement. Hotel charges should be limited to room rate, tax, hotel parking and meals (however, for reimbursement of meals, refer to the meal policy listed below).

### **Hotel Frequent Guest Programs**

Many hotels or other lodging facilities have frequent guest programs that reward travelers with free accommodations or other rewards in exchange for a given number of paid room nights. Awards from such programs may be retained by employees for personal use. However, participation in these programs must not influence hotel selection, which would result in incremental cost beyond the Company's specially negotiated rate. Any membership fees associated with joining these programs are not reimbursable by the Company.

## MEAL EXPENSES

### Meal Policy

- **Breakfast:** May claim only if employee was required to leave home for travel status assignment **BEFORE** 6:30 a.m. or required to be away from home overnight, the prior night.
- **Lunch:** May claim if employee is in travel status and is performing required work away from their temporary or permanent work station and the work assignment extends over the normal noon meal period.
- **Dinner:** May claim if company business caused employee to return home from travel status **AFTER** 7:00 p.m. or required to be away from home overnight that evening.
- **Meals are not a per diem;** employees have to have incurred the expense in order to be eligible for reimbursement. Employee is not eligible for additional reimbursement for a meal which was included in the cost of commercial transportation, conference registration fee, or hotel lodging.

The actual cost of three meals per day, not to exceed the equivalent of \$45 USD, is reimbursable for any overnight stay while in travel status. The \$45 USD per day is not a per diem. Employees are required to submit only the actual expenses that are incurred and only these amounts may be recorded on the Expense Report. Receipts for all meals over \$15 USD are required. Tips are included in the cost of each meal.

### Meal Spending Guidelines

Breakfast \$10.00 USD

Lunch \$15.00 USD

Dinner \$20.00 USD

### Business Meals/Entertaining Clients

Business meals are defined as meals with Company customers, prospects, recruits or vendors during which substantial business discussions take place.

The cost of such meals should be reasonable based on the business occasion.

The expense of reasonable meals conforming to this Policy will be reimbursed at actual cost, as submitted on an Expense Report.

All extraordinary (well beyond casual) business meals or entertainment expenses must be approved in advance by the CFO and/or CEO.

**The highest-ranking employee at the event must pay all business meals or entertainment expenses, with their Company Credit Cards.**

### **Business Meals Taken with Other Employees**

Business meals with other employees are discouraged, unless clearly demonstrating a business necessity and sound business judgment. The highest-ranking employee present at the business meal must pay all business meals with employees.

### **Documentation and IRS Requirements**

For business meal and entertainment expenses, the following documentation is required by the IRS and must be recorded on the Expense Report:

- Names of individuals present, their titles and company name
- Name and location of where the meal or event took place
- Exact amount and date of the expense
- Specific business topic discussed
- In the case of entertainment events, the specific time the business discussion took place (i.e., before, during or after the event)

### **Alcoholic Beverages**

The use of alcohol for business entertainment purposes should be kept to a minimum. Employees should be aware that the purchase and use of alcohol places significant legal exposure on the Company and act prudently to avoid excessive consumption by guests or Company employees.

### **Gratuities**

Reasonable tips included on business meal receipts when entertaining clients or on business travel will be reimbursed. Any tips considered excessive (greater than 20%) will not be reimbursed. Nominal fees and tips to porters and baggage carriers are reimbursable. The maximum reimbursable allowance is \$1 per bag. As a general rule, employees should not tip more than they would on a personal trip.

## **OTHER EXPENSES**

### **Conference Registration Fees**

If the conference fee was not prepaid, TriOak Foods will reimburse these fees, including business-related banquet or meals that are part of the conference registration. Original receipts to support the payment are required. If the conference does not provide a receipt, then a cancelled check, credit card slip/statement or document at the time the amount was paid is required for reimbursement.

### **Travel Advances**

Employees who do not have a Company Credit Card and who need funds to subsidize their travel and entertainment cost can secure a temporary travel advance subject to the Manager's approval. Travel advances may not exceed the amount that may reasonable be expected to be expended in cash on the trip they are intended to cover. Advance requests require the same approvals as expense reports. Advances are accounted for by submission of an Expense Report within seven days of returning from the trip. No more than one temporary advance may be outstanding at one time.

## REIMBURSEMENT OF TRAVEL AND ENTERTAINMENT EXPENSES

### Reimbursement Process

All employees seeking payment or reimbursement of travel and entertainment expenses must submit a completed and approved Expense Report ending each pay period with all receipts.

### Substantiation

Each Expense Report must include the following substantiation:

- In addition to the specific requirements for receipts stipulated in this Policy, original receipts are required for any item in excess of \$25 USD. Receipts are required for all laundry (for travel of 5 days or more) and fuel expenses (for rental cars only).
- The amount of each separate expenditure with an original receipt for all expenses. Copies of credit card statements or record of charges are not acceptable in lieu of receipts without Manager approval.
- The dates of departure and return for each trip away from home, and the number of days away from home spent on business.
- The destinations or location (name of city or town) of travel.
- The business reason for the travel or nature of the business benefit derived as a result of travel or expenditure.
- Original airline ticket invoice or other documentation.
- Original paid itemized hotel receipt and itinerary.
- Original car rental receipt.
- Original receipts for tolls and parking.
- Original, employee's charge card receipt or cash register receipt (no restaurant tear tabs).

Receipts must include the name of the restaurant/vendor, location, date, and dollar amount. Business meals exceeding **\$100.00** must include a detail receipt with all line item charges.

### NON-REIMBURSABLE EXPENSES

The Company will **not** reimburse the following expenses:


- Airfares, hotels or rental car charges not in compliance with this Policy
- Alcoholic beverages (except as stated previously in this policy)
- Annual fees for personal credit cards
- Baby-sitting
- Barbers and hairdressers
- Charitable donations
- Cigarettes or tobacco products
- Personal shoes, steel toe boots, rubber boots etc.
- Personal clothing or toiletry items
- Country club dues
- Credit card delinquency fees or finance charges
- Expenses not substantiated/approved in accordance with the requirements of this Policy

- Expenses for travel companions/family members shall be at the expense of the employee
- Expenses not directly related to the conduct of the Company's business
- First class air travel or upgrade fees
- Flower expenses, unless approved by the CFO or the CEO
- Gifts purchased for co-workers or supervisors (Christmas, Secretary's Day, Bosses Day, Birthday's, etc.), unless approved by your Manager
- Golf fees unless directly associated with a client meeting and with prior approval from Manager
- Health club fees
- Hotel mini-bar refreshments
- Laundry or valet services for travel of fewer than five (5) days
- Loss or theft of cash advance, personal funds or property
- Lost baggage
- Luggage and briefcases
- Magazines, books or other personal reading materials
- Movies (including in-flight and hotel in-house movies)
- Optional travel or baggage insurance
- Parking tickets or traffic violations
- Personal automobile insurance, car washes, repairs/maintenance
- Personal entertainment, including sporting events, other than in connection with entertaining, as addressed previously
- Personal medical expenses incurred while traveling
- Personal postcards, postage stamps
- Personal property insurance
- Personal telephone calls in excess of daily limit
- Pet care, including boarding pets
- Saunas, massages
- Shoe-shines
- Souvenirs or personal gifts



# Expense Report

Sample Company Approved Expense Report



**Travel & Expense Report**      Employee Name       Employee Name       For Week Ended

Date	Destination or Description	Personal Meals	Lodging	Company Vehicle		Personal Auto		Phone	Entertaining	Business Meals/Mtgs	Misc Other		TOTALS
				Gas/Oil	Maint/Reps	Miles	Amount				Amount	Description	
		B					\$0.00						\$0.00
		L											
		D											
		B					\$0.00						\$0.00
		L											
		D											
		B					\$0.00						\$0.00
		L											
		D											
		B					\$0.00						\$0.00
		L											
		D											
		B					\$0.00						\$0.00
		L											
		D											
		B					\$0.00						\$0.00
		L											
		D											
<b>Total Expenses</b>		\$0.00	\$0.00	\$0.00	\$0.00	0.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<i>0.00</i> <i>Business</i>	\$0.00

Additional Explanation of Expenses:

Less: Cash Advance - Dated

**Total Due**  \$0.00

*****Accounting Use Only*****	
GL Acct #	Amount
	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00

Signature

Approval