

## SULLIVAN'S SUPER SAVER CARD

In 1996 Sullivan's Foods developed the "Sullivan's Super Saver Card". The Saver Card was developed as a way to reward our regular and loyal customers. All customers have the opportunity to complete a very basic Saver Card application, where they can then use the card at every sales transaction and save money! The Saver Card also allows Sullivan's to track customer purchases so that we may direct mail special promotions and savings to customers.

Other advantages of the Sullivan's Super Saver Card is the key tag card that all customers are given. Not only is it always with the customer when they enter the store on their key chain, but also when they lose the key chain. The Sullivan's key tag card has a message printed on the key tag to call or send the keys to Sullivan's Office and we will look at our database and find the lost owners. We will then pay to have the lost keys and card mailed to their owner.

It is Sullivan's policy that the customer must use their own Sullivan's Saver card for their purchases. Under no circumstance shall an employee use their personal Saver Card for the customer's purchases.

Sullivan's has implemented an 800 phone number so that customers and employees may contact Sullivan's Office with any problems or concerns. The phone number is 1-800-SAV-LOTS (1-800-728-5687)

## COMMUNITY SERVICE

The people in the communities and rural areas Sullivan's serve are good to Sullivan's and to each of the individuals associated with our business. We owe our existence as a company and our livelihood as individuals to the people who patronize our stores. One way this loyalty can be repaid is through our individual participation in civic, educational, religious, governmental political and service organizations. Sullivan's believes that each person associated with the company has something to offer to the betterment of our communities. You are encouraged to join and actively support such organizations in areas of interest to you for the good of your community and for the satisfaction that such service can bring to you. It should be noted that the company is active in its support of such groups, and contributes to their financial welfare when possible. Over the years, many Sullivan's people have played important roles in their communities.

## PURCHASES

We will appreciate you as a guest as well as an employee. We hope you will take the personal attention given to you.

No employee may check out their own purchases or those of immediate relatives. Purchases of merchandise for use or consumption on the premises *must be accompanied by a register receipt*. All products must be paid for prior to consumption.

Employees may not do their personal shopping on work time.

## **PACKAGES**

\* The store manager or shift supervisor, may check merchandise of store employees on company property before such package leave the store.

## **EQUIPMENT**

The organization has a large investment in equipment. Proper and careful use of this equipment according to its intended purposes will save needless repairs and premature replacement. Your cooperation will be appreciated. A deposit may be necessary for certain personal equipment you may require. The deposit will be refunded when you terminate your employment, provided the equipment is returned in good condition. If equipment assigned to you is lost or abused the deposit must be forfeited.

## **LOST AND FOUND**

If you find anything on store property you must turn it into the store office. If, after a one-month period, the owner has not claimed the item, you may claim it.

## **HOUSEKEEPING**

A clean store is a better place to work. Sullivan's is proud of its housekeeping and wants the entire store and surrounding area to be kept sparkling clean. Since 1967, Sullivan's has maintained a reputation for sparkling clean stores; let's keep this reputation by minimizing waste, damage, and breakage. Help keep your store clean by picking up any loose paper and debris from the floor. Your fellow employees appreciate clean restrooms and break area as much as you, so please do your part to keep them clean. As a department manager it is your job and responsibility to see that a high standard of cleanliness is maintained in your department at all times.

## **DAMAGED MERCHANDISE, SAMPLE MERCHANDISE AND PREMIUMS**

Broken packages or damaged merchandise is not to be consumed by employees, but turned over to the department manager. All sample merchandise, premiums, and merit coupons must be turned over to the store manager.

## **SELLING AND SOLICITATION**

Selling or soliciting of any kind, by anyone, is not permitted within the confines of the store property without company approval.

## HONESTY

Every employee will, at times be entrusted with the handling of money and other items of value. As an employee, your honesty and integrity are taken for granted, and we are certain that this will continue throughout your personal life. Sometimes certain employees have foolishly jeopardized their future by dishonest acts. Simply as a matter of information, the company's policy in handling dishonesty is as follows:

1. A thorough questioning and investigation will take place.
2. If the investigation reveals the employee has been dishonest, the employee will be discharged.
3. Everyone who works at Sullivan's is bonded through the bonding company which underwrites the honesty of all who are employed. Restitution will be required by the bonding company and prosecution will be required and resorted to when justified.
4. The facts will become part of the employee's personnel records. We believe and sincerely hope it will not be necessary to take action against anyone.

## REPORTING INJURIES

Employees are required to report any work-related accident or illness within twenty-four (24) hours to their supervisor for proper handling. Any known injury that occurs during a shift should be reported to the supervisor immediately. A 45 form should be completed on all work-related illnesses or injuries.

## CONDUCT AND DISCIPLINE

Whenever and wherever people work together, each person must conform to standards of reasonable conduct. It is particularly true in a supermarket where the actions of one employee may adversely affect the store's standing in the community, and so affect the job security and chances for job opportunity of fellow employees. Accordingly, an employee may be discharged or disciplined for proper cause in order to protect the rights of others. Proper cause for discipline or discharge would include failure to observe the standards of conduct set forth in "The Guide". Sullivan's has purposely avoided establishing rigid rules and regulations concerning your off-the-job behavior. The company does not meddle in the personal affairs of employees until complaints are brought to the attention of the company, then they reluctantly become the company's concern.

Every effort shall be made to help employees correct faults. Discipline shall be a last resort, and in all cases of discipline, consideration shall be given to the seriousness of the offense and the time interval between infractions.

## GETTING ALONG WITH OTHER PEOPLE

Some people have natural ability to win friends with a smile, handshake, or a pleasant word. Others have to work at it and keep trying until they learn to be sincerely outgoing. Being fair, sincere, and cooperative is the easiest way to win friends and keep them, whether they are guests or fellow workers.

## SPEAKING UP

Sullivan's cannot emphasize too strongly its desire that all employees feel free to seek information or advice on any matter that is troubling them or to call attention to any condition which may appear to them to be operating to their disadvantage. Sullivan's cannot correct situations that it knows nothing about. Sullivan's wants to develop as enjoyable of a work climate as possible. Every employee will find the department manager or store manager ready to give assistance. Most difficulties will be satisfactorily adjusted between employee and manager, but if for any reason, an employee should feel completely at liberty to bring the matter to Sullivan's Administration.

## SUGGESTIONS

Much of the progress that has taken place at Sullivan's over the years is the result of suggestions made by employees. If at any time, you have ideas you feel will improve guest service, produce additional sales, reduce energy cost, increase profits, reduce cost, make working conditions more satisfying, or improve the store's image in the eyes of the guest, please tell us.

## ANNUAL EMPLOYEE PARTY

During the year an employee party is held for the employees, their spouses, and their family. Something new and different may be done each year. Sullivan's will try to make it a new experience each year!

## PERSONAL APPEARANCE AND DRESS CODE

The food business is a business where personal appearance and cleanliness are most important factors. A well-groomed employee in a clean uniform immediately presents a favorable impression to both the store and the merchandise sold to the shopper.

Employees should remember these important points in regard to personal appearance:

1. Well-groomed and conservatively styled hair. Males' hair should be cut above the collar.
2. A conservative use of cosmetics.
3. Minimum use of jewelry, no earrings for male employees.
4. Clean hands and fingernails.
5. Clean shaven (though the wearing of mustaches is discouraged, if you feel wearing one is necessary, it must be neatly trimmed and not to extend beneath the corners of the mouth).
6. Shined shoes or neat clean leather tennis shoes.
7. **Uniform** – clean well pressed white blouse or white shirt, tie, and neatly pressed navy blue slacks. In recent years Sullivan's has also added the option of purchasing navy or white polo shirts from Sullivan's Business Office. However the polo shirts worn are uniform and no alternative polo shirts will be allowed.
8. No offensive breath.
9. Daily use of deodorant.
10. No gum chewing.

## **FAMILY AND MEDICAL LEAVE ACT OF 1993**

Sullivan's Foods follows the FMLA of 1993. FMLA requires covered employers to provide up to 12 weeks of unpaid, job protected leave to "eligible" employees for certain family and medical reasons. Employees are eligible if they have worked for a covered employer for at least one year, and for 1250 hours over the previous 12 months, and if there are at least 50 employees within 75 miles.

Unpaid leave must be granted for any of the following reasons: to care for the employee's child after birth, or placement for adoption or foster care; to care for the employee's spouse, son or daughter, or parent who has a serious health condition; or for a serious health condition that makes the employee unable to perform the employee's job. At the employer's option certain kinds of paid leave may be substituted for unpaid leave.

The employee may be required to provide advance notice and medical certification. Taking of leave may be denied if requirements are not met. The employee ordinarily must provide 30 days advance notice when the leave is "foreseeable." An employer may require medical certification to support a request for leave because of a serious health condition, and may require second or third opinions (at the employer's expense) and a fitness for duty report to return to work.

Any employee who has further questions regarding this is to contact Sullivan's store manager or Sullivan's Administration.

## **SEXUAL HARASSMENT**

It is the policy of Sullivan's to maintain a working environment free from all forms of sexual harassment or intimidation. Unwelcomed sexual advances, request for sexual favors, offensive sexual flirtation, unwanted physical contact, advances, propositions, repeated verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, and the display of sexually suggestive objects or pictures will be considered sexual harassment whether committed by an employee or supervisory personnel and all such action is prohibited.

## **AIDS / GENERAL POLICY STATEMENT**

As a general guide, cases of Aids or AIDS-Related Complex (ARC) in all Sullivan's will be handled or approached as would any other medical disability under the applicable policies and procedures such as employment practices, benefit coverage, or leave of absence. As with other medical conditions, the primary focus must be on the employee's continuing ability to satisfactorily perform his/her assigned job duties, on a case-by-case basis.

## EMPLOYMENT STATUS

The employment status of all personnel is determined by their regular working schedule at Sullivan's Foods. This employment status, in turn, relates directly to the benefits eligibility and policies of Sullivan's.

Employees fall into the following classifications:

**Full-Time Employees:** A full-time employee is one who is regularly scheduled for 35 – 40 hours per week. If an employee does not meet these hours on a regular basis, they will be reclassified to a part-time employee. An employee who is a part-time employee must be with the company 30 days and work 4 consecutive weeks of 35 hours or more per week before he is reclassified (excluding time worked from May 1<sup>st</sup> to September 15<sup>th</sup>). An employee may work full-time during that period without being reclassified to a regular full-time employee for the purpose of insurance and benefits.

**Part-Time Employees:** A part-time employee is one who works less than 35 hours each week.

It should be noted that employment status is subject to change under either of the following conditions:

1. At an employee's request **if and when** feasible and/or practical, if mutually convenient, and with supervisory concurrence only.
2. At the employer's direction should the need arise, in case such as economic necessity, functional and/or organizational changes, flexibility of work force, etc. These are examples only and may not be all-inclusive.

## INITIAL TRIAL PERIOD

Each new Sullivan's employee is hired for a 30 day trial period. These 30 actual working days provide an opportunity to the new employee to decide if he will enjoy working at Sullivan's and at the same time provide an opportunity for the store and department manager to become acquainted with the new employee. At the end of the 30 days, a progress report is given.

## TRAINING

Your department and store managers will give you important, on-the-job training. Training starts the day you go to work and continues for as long as you are with the company. Sullivan's believes that training never stops. For your training to mean something to you, Sullivan's would like for you to approach it with the right attitude. Show and have the desire and determination to learn, to grow, and to develop. Ask questions, show an interest in the jobs around you, and respond to new ideas and techniques.

## DRUG TESTING

Sullivan's wants to maintain a Drug Free work environment. The company reserves the right to do random drug testing at its expense. Sullivan's may ask for pre-employment drug testing.

## EMPLOYEE WORK SCHEDULES

Since our business depends on serving our guests at their convenience, our store hours must conform to their needs. Due to the nature of our business, many of the Sullivan's stores are open 24 hours a day, seven days a week. Since supermarkets experience seasonal sales, and enjoy extra business during the tourist season, it is therefore necessary for many employees to work on weekends and holidays. This also necessitates that all employees are **flexible** as far as working hours and shifts are concerned.

The basic workweek for a full-time employee shall be in five days, not necessarily consecutive, Sunday through Saturday. Time worked in excess of 40 hours per week, for both full-time and part-time employees, shall be paid at the rate of one and one-half times the employee's regular straight time. During the week in which holidays occur regular full-time employees shall receive one and one-half times the rate of pay after 40 hours actually worked, excluding hours worked on the holiday itself.

An employee who has a special request for time off must submit their request to the supervisor as early as possible and prior to the preparation of the work schedule that include the time period requested off. The supervisor will attempt to accommodate such a request. However, special requests for weekend and holiday absences may necessitate that you find your own replacement. **Supervisors and employees both must exercise caution that unexpected overtime hours do not result by virtue of workday swapping any one week and/or work period.**

An employee who wishes to change hours already scheduled for you, you must find your own replacement and receive the approval of your supervisor for that specific replacement person.

## EMPLOYEE OVERTIME

Any employee who works overtime (over 40 hours) or works more than their scheduled work hours must have it approved by their supervisor prior to working the extra hours. All employees are accountable for their own hours and should be well aware of how many hours they have worked in a given week. All overtime must be approved with the supervisor's signature on the time card in order for you to receive compensation. If you have not received prior authorization to work overtime, you **must** leave your workstation not more than three (3) minutes following the end of your shift. Frequent early arrivals and/or late departures force Sullivan's to pay overtime even when not specifically authorized in advance – such situations may become cause for disciplinary action.

Overtime during a holiday week shall be paid as follows:

For an employee who normally works 35 hours or more per week will receive time and a half (1 ½) after 40 hours actually worked, excluding hours worked on the holiday itself. A Paid Holiday (not worked) shall not be included for overtime pay.

Example 1: Jane( full-time employee)

Sun	Mon	Tues	Wed	Thur <b>Holiday</b>	Fri	Sat
	Worked 8 hrs.	Worked 9 hrs.	Worked 9 hrs.	Paid Holiday ( 8 hrs.)	Worked 8 hrs	Worked 8 hrs.

Jane will receive:      40 hours regular pay  
                                  2 hours overtime pay (time and a half)  
                                  8 hours **Paid Holiday**

Example 2: John(full-time employee)

Sun	Mon	Tues	Wed	Thur <b>Holiday</b>	Fri	Sat
	Worked 8 hours	Worked 9 hours	Worked 9 hours	Paid Holiday (8hrs.) plus Worked 8 hours	Worked 8 hours	

John will receive:      8 hours **Paid Holiday**  
                                  32 hours regular pay  
                                  8 hours Holiday pay (time and a half for hours worked)  
                                  2 hours overtime pay (time and a half)





## EMPLOYEE TIME CLOCK PROCEDURES

Check in on the time clock at the time you are scheduled to start work. Check out immediately after completing your work. You are required to check in and out for your lunch and dinner period and breaks. You are to use only your own time badge, under no circumstances shall you punch a fellow employee in or out. Violation of this rule subjects an employee to disciplinary action. At stores without electronic time clocks you are requested to figure your own hours at the end of the week and sign your name on the time card.

## EMPLOYEE EMERGENCIES WHILE WORKING



If it becomes necessary to leave the facility during your work shift for personal reasons, your supervisor should be contacted and approval to leave must be secured **prior** to your leaving. In an extreme emergency, and if your supervisor is not available, the next higher level of supervision must be contacted; if the latter is not available either, you must leave specific word with at least two (2) fellow employees who can witness to your purpose or reason for leaving.

## EMPLOYEE ABSENCE AND TARDINESS



As an employee of Sullivan's Foods, you serve a vital role in the delivering of goods and services to our customers. At Sullivan's we realize that there are times when an employee is unable to report to work due to an illness, etc.... However, it is expected that absences be reported within two (2) hours of the scheduled time to work, if at all possible. This is important in the case that a replacement must be found. Depending on the circumstances, it is also preferred that the employee himself/herself call in.

You must call your supervisor if you are going to be late for work. The circumstances for tardiness must be unavoidable. *No Texting*

Frequent absenteeism and/or tardiness shifts the workload to your fellow employees and makes it more difficult for them, not to mention the effect that it has on our guests. Your record of attendance and punctuality is important to you as well, because it is one of the primary factors in regard to future references consideration for promotions, pay increases and even perhaps your retention as an employee of Sullivan's Foods. In fact, we consider your attendance and punctuality very important. Problems in this area could become sufficient reason for disciplinary action.

## EMPLOYEE REST PERIODS



You are entitled to a paid fifteen (15) minute rest period for each work period consisting of 4 hours or more. Rest periods are to be scheduled and **controlled** by your supervisor/department head. Time taken for rest periods must be shown on the timecard.

## **EMPLOYEE MEAL PERIODS**



You are entitled to take an uninterrupted minimum of one-half (1/2) hour off for mealtime if you work six (6) or more consecutive hours. Mealtimes are not included in hours of employment and are therefore unpaid. Time taken for meals must be shown on the timecard.

Eating at your workstation is discouraged because it does not provide a break from the work location itself, and because it is unsightly.

## **PAYROLL AND PAYDAY**

You will be paid every two weeks, on Saturday. The two-week pay period begins on Sunday and ends 14 days later on Saturday. For payroll purposes employees working the night shift (example 11:00 p.m. – 7:00 a.m.) are considered as working on the date signed in.

Employees are requested to pick up their checks according to the procedure of their own departments. If payday falls on a holiday, checks will be issued on Friday if possible.

Checks will not be distributed sooner than the above mentioned day and time. If you are scheduled to be off duty on payday your check can be mailed to you, if you provide the Store Manager/Bookkeeper with a stamped, self addressed envelope. Checks must be claimed by an employee in person unless someone is given a written and signed authorization note to claim the check. In such a case the note must bear, in addition to your signature and date on which it was signed, the name of the person designated to pick up your check.

In the case of resignation or vacation, checks are issued at the regular times. We sure hope that you will not have to resign from Sullivan's Foods; however, should this become necessary, Sullivan's requests that you complete all the necessary forms, with a forwarding address prior to the issuance of your final pay check.

Payroll checks must be cashed within 30 days of the issue date. Any questions regarding paychecks should be brought to the attention of the Department Head/Store Manager as quickly as possible.

## **PAYROLL DEDUCTIONS**

There are three deductions that must be taken from your paycheck. These are Social Security, Federal Income Tax, and State Income Tax. Other deductions will be made only with your permission or State or Federal ordered deduction.

## **SOCIAL SECURITY**

The law requires the company to deduct from your pay Social Security to match the amount paid by the company, and to remit to the Federal Government the total tax, so exacted from your account. Each employee is paying 7.65 percent of their earnings and the company is paying a like amount, for a total 15.30 percent.

## WORK RULES

To insure that you are fully aware of the consequences should you violate company rules our policy relating the various reasons for corrective action is outlined below. Please remember that "**common sense**" rules are to be included and **the list below is not to be considered all inclusive.**

### Group 1

**Accumulation of any three written notices will be grounds for dismissal.**

- ◆ Minor violations of procedures
- ◆ Uncooperativeness
- ◆ Tardiness
- ◆ Failure to report an injury
- ◆ Discourtesy to guests or other employees
- ◆ Horseplay
- ◆ Wasting of supplies and materials
- ◆ Abuse of equipment
- ◆ Loitering in the store or backroom when not on duty
- ◆ Frequent overstaying of rest and/or lunch periods

### Group 2

**First offense – written warning**

**Second offense – 1 week disciplinary layoff**

**Third offense – discharge**

- ◆ Smoking in the store
- ◆ Sleeping while on duty
- \* ◆ Gambling while on company property during working hours - *and failure to use time card.*
- ◆ Using company facilities or equipment without proper authority
- ◆ Punching someone else's timecard
- ◆ Entering or leaving the store by any door other than the front door, unless authorized by the store manager
- ◆ Admitting employees or non-authorized persons into the store through a side door or back door
- ◆ Having too frequent absences, other than for illness (frequent absence is defined as twice in a 30 day calendar period)
- \* ◆ Failure to wear proper uniforms, name badge, hats, hair nets, and to comply with hair length policy
- ◆ Improper use of telephone for personal business
- \* ◆ ~~Excessive~~ overtime without authorization by supervisor

Group 3

**First offense – 1 week disciplinary layoff**

**Second offense – discharge**

- ◆ Possessing firearms or weapons of any kind inside the store or on company property unless locked in the owner's vehicle
- ◆ Leaving the store or assigned working place during the working hours without permission from the supervisor
- ◆ Possessing or using any alcoholic beverages or narcotics on company property at any time
- ◆ Failing to report for a work schedule without a satisfactory prior notice or reasonable explanation
- ◆ Being flagrantly insubordinate (refusal or failure to perform work assigned, or to comply with specific instructions of supervisor). If you object to an assignment you should nevertheless perform the work then take the matter up with (1<sup>st</sup>) your department manager, (2<sup>nd</sup>) your store manager, and (3<sup>rd</sup>) Sullivan's Administration.
- ◆ Failure to check identification on anyone who looks younger than 30

Group 4

**Immediate discharge and prosecution on first offense**

- ◆ Selling alcoholic beverages or tobacco products to minors
- ◆ Breach of confidentiality regarding any sales figures or other topics considered confidential. (Use good judgment and common sense on those topics which Sullivan's would consider confidential)
- ✂ ◆ Stealing, willfully damaging, destruction of, abuse of, deliberate misplacement, or hiding of any property of an employee or the company
- ✂ ◆ Falsifying company records or reports including personnel physical examination, or employment records
- ◆ deliberately failing to punch your own time card
- ◆ Harboring a disease which, because of the worker's own carelessness, may endanger fellow employees
- ◆ Fighting or attempting bodily injury to another person while on company property.
- ◆ Being convicted in a court of law for misdemeanors or felonies which may cause an employee to be regarded as undesirable.
- ◆ Offering or receiving money or their valuable considerations in exchange for a job, better working place, or an advantage in working considerations.
- ◆ Sexual harassment – unwelcomed sexual favors, and other verbal or physical conduct of sexual nature.
- ◆ Whenever an employee fails to report to work immediately after the expiration of a leave of absence.
- ◆ Whenever an employee on a leave of absence is found to be working elsewhere.
- ◆ Failure to return to work, from a rest period, or lunch break
- \* Reporting to work under the influence of drugs or Alcohol