



**& AFFILIATED COMPANIES
EMPLOYEE HANDBOOK
2024**

Revised on 09/30/24



EMPLOYEE HANDBOOK 2024



HANDBOOK DISCLAIMER

We prepared this handbook to help employees find the answers to many questions that they may have regarding their employment with MRCO and Affiliated Companies. Please take the necessary time to read it.

We do not expect this handbook to answer all questions. Supervisors and your Human Resources Department also serve as a major source of information.

Neither this handbook nor any other verbal or written communication by a management representative is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation, nor does it confer any contractual rights whatsoever. MRCO and Affiliated Companies adheres to the policy of employment at will, which permits the Company or the employee to end the employment relationship at any time, for any reason, with or without cause or notice.

No Company representative other than the Head of Human Resources may modify at-will status and/or provide any special arrangement concerning terms or conditions of employment in an individual case or generally and any such modification must be in a signed writing. Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Company documents. These Company documents are always controlling over any statement made in this handbook or by any member of management.

This handbook states only general Company guidelines. The Company may, at any time, in its sole discretion, modify or vary from anything stated in this handbook, with or without notice, except for the rights of the parties to end employment at will, which may only be modified by an express written agreement signed by the employee and the Head of Human Resources.

This handbook supersedes all prior handbooks.



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SECTION 1 - GOVERNING PRINCIPLES OF EMPLOYMENT

1-1 Introduction and Company History

For employees who are commencing employment with MRCO and Affiliated Companies (“MRCO and Affiliated Companies” or the “Company”), on behalf of MRCO and Affiliated Companies, let us extend a warm and sincere welcome.

For employees who have been with us, thanks for your past and continued service.

We extend our personal best wishes for success and happiness here at MRCO and Affiliated Companies. We understand that it is our employees who provide the services that our customers rely upon, and who will enable us to create new opportunities in the years to come.

Here is a little introduction to our story:

Our company has been in business since 1971. We have been in the business of managing restaurants owned and operated by our affiliated companies since our inception. To name a few, we have owned and/or managed Pizza Hut, Fiesta Cantina, Swensen’s Ice Cream, Stables Steak House, Off the Grill, and Gigi’s Cupcakes. In 1987, we started learning about the Taco Bell franchise and formed an operating company to build our first Taco Bell restaurant in Tullahoma, Tennessee. Today, we own and operate close to 60 Taco Bell restaurants in 2 Southeastern states; of which several are co-branded with KFC or Pizza Hut Express. Internationally, we owned and operated 14 Pizza Hut restaurants in the Caribbean (Dominican Republic), and in the late 80’s and early 90’s we developed 53 Pizza Hut restaurants in South Korea that we later sold to PepsiCo.

With our aggressive growth rate and development plans, we are always looking for good people to join our store team(s), and we are glad to welcome you to the MRCO family!

Our mission is to be the most satisfying place to **Eat**, **Work**, and **Grow**

OUR LONG RANGE GOALS

1. Customer Satisfaction - We will strive to satisfy every customer, every time, all the time!
2. Working Environment - We will strive to build a positive, friendly working environment that promotes job satisfaction and career growth!
3. Restaurant Support - We will provide, through our Restaurant Support Center, innovative tools and services to satisfy the needs of our Restaurants!
4. Profitability - We will operate every unit profitably!



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1-2 Equal Employment Opportunity

MRCO and Affiliated Companies is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, creed, color, religion, alienage or national origin, ancestry, citizenship status, age, disability or handicap, sex, pregnancy, marital status, veteran status, sexual orientation, gender identity or expression, genetic information, arrest record, or any other characteristic or behavior protected by applicable federal, state or local laws, such as the exercise of employment-related legal rights. The above are referred to as “protected classifications and behaviors.” Our management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment.

The Company will endeavor to make a reasonable accommodation to the known physical or mental limitations of qualified employees with disabilities unless the accommodation would impose an undue hardship on the operation of our business. If you need assistance to perform your job duties because of a physical or mental condition, please let Human Resources know.

The Company will endeavor to accommodate the sincere religious beliefs of its employees to the extent such accommodation does not pose an undue hardship on the Company’s operations. If you wish to request such an accommodation, please speak to Human Resources.

Any employees with questions or concerns about equal employment opportunities in the workplace must promptly bring these issues to the attention of Human Resources. The Company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If an employee feels he or she has been subjected to any such retaliation or believes retaliation has occurred, he or she must promptly bring it to the attention of Human Resources. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all equal employment opportunity investigations.

1-3 Non-Harassment

It is MRCO and Affiliated Companies’ policy to prohibit intentional and unintentional harassment of any individual by another person on the basis of any protected classification including, but not limited to, sex, gender, pregnancy, race, color, national origin, disability, religion, marital status, veteran status, sexual orientation, age or any of the protected classifications and behaviors set forth in the Equal Employment Opportunity policy above. The purpose of this policy is not to regulate our employees’ personal morality, but to ensure that in the workplace, no one harasses another individual. We prohibit potentially offensive or inappropriate comments or actions motivated by or related to the protected classifications and behaviors, such as unwelcome sexual advances, requests for sexual favors, obscene gestures, displaying sexually graphic magazines, calendars or posters, sending offensive e- mails, text messages or comments relating to protected classifications and behaviors, and other verbal or physical conduct of a sexual nature, such as uninvited touching of a sexual nature or sexually related comments. Depending on the circumstances, improper conduct also can include joking, vulgar or offensive conversation or jokes, commenting about an employee’s physical appearance, conversation about your own or someone else’s sex life, or teasing or other conduct directed toward a person because of his or her protected classifications or behaviors.



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If an employee feels that he or she has been subjected to comments, conduct or behavior which violates this policy, or receives information about potential comments, conduct or behavior which may violate this policy, whether the comments, conduct or behavior is engaged in by a customer, vendor or other individual and is related to our workplace or our work, he or she must immediately report the matter to Human Resources (1-800-435-5885, ext. 5705), the Area Coach (See company organization page), or the Vice-President of Operations (1-800-435-5885, ext. 5725). In an urgent or emergency situation, you may contact your supervisor for assistance, but you must also contact Human Resources, the Area Coach, or the Vice-President of Operations.

Every report of perceived harassment will be fully and promptly investigated and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, the Company will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If an employee feels he or she has been subjected to any such retaliation, he or she should report it in the same manner in which the employee would report a claim of perceived harassment under this policy. Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including discharge. All employees must cooperate with all investigations, as required by management.

1-4 Workplace Violence

MRCO and Affiliated Companies is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company and personal property.

We do not expect employees to become experts in psychology or to physically subdue a threatening or violent individual. Indeed, we specifically discourage employees from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations.

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Company policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or Supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; or demonstrating a propensity to behave and react irrationally.

Prohibited Conduct

Threats, threatening language or any other acts of physical aggression or violence made toward or by any Company employee WILL NOT BE TOLERATED. Prohibited behaviors include, but are not limited to any attempt at intimidating or instilling fear for safety in others, menacing gestures, flashing of weapons,



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stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation. To the extent permitted by law, employees and visitors are prohibited from carrying weapons onto Company premises.

Procedures for Reporting a Threat

All potentially dangerous situations and potential violations of this policy must be reported immediately to any member of management. Reports may be maintained confidential to the extent maintaining confidentiality does not impede our ability to investigate and respond to the complaints. All reports will be promptly investigated. All employees must cooperate with all investigations, as required by management. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If the Company determines, after an appropriate good faith investigation, that someone has violated this policy, the Company will take swift and appropriate corrective action.

If an employee is the recipient of a threat made by an outside party, that employee should follow the steps detailed in this section. It is important for us to be aware of any potential danger in our restaurants. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.

1-5 Drug-Free and Alcohol-Free Workplace

To help ensure a safe, healthy and productive work environment for our employees and others, to protect Company property, and to ensure efficient operations, the Company has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all employees and other individuals who perform work for the Company.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises) or while representing the Company, is strictly prohibited. Employees and other individuals who work for the Company also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, which may impact an employee's ability to perform his or her job or otherwise pose safety concerns, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work. However, this does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a positive drug test, to the extent an employee is subject to any drug testing requirement, to the extent permitted by and in accordance with applicable law. Violation of this policy will result in disciplinary action, up to and including discharge.

The Company reserves the right to conduct employee alcohol and drug testing under any and all circumstances allowed by law, including random, post-accident, periodic, follow-up, and random testing. A positive alcohol or drug test, tampering with a test, or an inability/refusal to cooperate or submit to Company tests could result in discharge. The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance



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abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any Company employee, including themselves.



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SECTION 2 - RESTAURANT ORGANIZATION

Restaurant Organization

Restaurant Name: _____

Restaurant Number: _____

Restaurant Phone: _____

Restaurant General Manager:

Name: _____ Phone: _____

Assistant General Manager(s):

Name: _____ Name: _____

Shift Managers:

Name: _____ Name: _____

Name: _____ Name: _____

Above Restaurant:

Area Coach:

Name: _____ Phone: _____

Human Resources:

Caleb Barber 615-377-5706

Zarrina May 615-377-5715

Payroll:

Cheryl Eakes 615-377-5708

Gennita Jackson 615-377-5754

Jonathan Cox 629-910-7336

MRCO, LLC
Restaurant Support Center
1728 General George Patton Dr. Ste 200
Brentwood, TN 37027
615-377-3100



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SECTION 3 - OPERATIONAL POLICIES

3-1 First Day Activities

WELCOME TO THE MRCO TEAM!

You have joined a company that is a leader in the fast food industry dedicated to delighting our guests. We are glad you decided to join our winning team. Your role is most important because you and your fellow team members provide service to our guests. When guests are happy with the service provided by you, MRCO can continue to grow. With your help, we'll continue our leadership role with new products, locations, and services. Plenty of exciting times and opportunities await you--starting today! Welcome aboard!!

FIRST DAY ACTIVITIES

The following list of activities gives you an idea of what you will be doing your first day with your orientation manager:

- Complete Restaurant Employee New Hire Paperwork.
- Read and discuss the Orientation Handbook. Read this handbook thoroughly and keep it as a reference. We do not expect this handbook to answer all questions so please feel free to contact your supervisors, Human Resources, and the Taco Bell Answer System for information. This handbook contains important information that you need to know. After reading it, take it home and refer to it any time you may have a question about rules and responsibilities, code of conduct, or the need for important contact numbers.
- Take a tour of your store. Meet your store management and team members. The Restaurant Tour Checklist is at the end of the Orientation Handbook.
- Discuss your work schedule with your orientation manager. Learn where the work schedule is located and how to read the work schedule.
- Receive your uniform. Understand the importance of our slip resistant shoe policy, and commit to purchasing one of the Company approved slip-resistant shoes.
- Review our performance expectations of you. Your orientation manager will give you a **position description** and a **performance evaluation form** that will be used to evaluate you.
- Start Job Training: Meet the Team Member Trainers. Discuss your responsibilities during training. Review Learning Zone training system. Discuss Food and Service Champion certification process. Discuss your training schedule.

3-2 Taco Bell Brand Soul

Our Taco Bell Brand Soul is who we are and what we stand for, and we are clear on our purpose—to Feed People's Lives with Más.

TACO BELL BRAND SOUL

Taco Bell is a brand that everyone is talking about, and you are part of it. We know who we are and what we stand for and our **purpose** is to **Feed People's Lives with Más**. Más means doing more and giving more with passion, creativity and a twist. It's how we make a difference in the world and help people get a little more out of life. That's the spirit that drove Glen Bell when he started Taco Bell and that spirit lives in the heart of our organization today.



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So, how do we fulfill our purpose? We do this through our Brand Soul. Our soul consists of our purpose, promise and principles that we live through our daily routines. All our actions and behaviors are funneled through our promise and principles.

OUR PROMISE: MÁS FLAVOR, MÁS HEART, MÁS VALUE

MÁS FLAVOR

We add more flavor to life. And that means doing things differently. We put a twist on traditional Mexican food, creating experiences that surprise and delight.

MÁS HEART

We passionately serve each other – our guests, our fellow employees, our partners and the communities where we do business. We put our heart into everything we do.

MÁS VALUE

We deliver more than expected. We serve the best quality food at prices our customers love. We provide the best working environment and build relationships with our business partners that create value.

These three promises can only be fulfilled through our principles which are our behaviors.

OUR PRINCIPLES: WE ARE HUNGRY FOR MÁS.

Our principles are designed to help you passionately serve food and create experiences that help people get more out of their day and night.

- H** The **H** in **HUNGRY** is for **Helpful** because we are customer maniacs. We serve others with a “I can do that” attitude, no matter who we’re serving.
- U** The **U** in **HUNGRY** is for **Understanding** because we build know-how. We make sure we understand the lives of our guests, employees and business partners. We are an active part of our communities.
- N** The **N** in **HUNGRY** is for **Never Follow** because we go for breakthrough. We do the unexpected and stay one step ahead.
- G** The **G** in **HUNGRY** stands for **Grateful** with meaningful recognition. We say thank you and mean it. We are passionate about recognizing each other.
- R** The **R** in **HUNGRY** is for **Relentless** with take the hill teamwork. We don’t let anything get in the way of doing the right thing. We strive to be the best at everything we do.
- Y** The **Y** in **HUNGRY** is for **Youthful** with a belief in all people. We are inspired by a youthful spirit and believe that everything is possible.

3-3 Deliver Excellence

Delighting guests is very important to us. Guests tell us they are delighted when we deliver CHAMPS. When a mistake happens, we should use the make-up process using the principles of LAST.



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CHAMPS stands for the following:

- C Cleanliness:** Our guests expect an inviting exterior, sparkling rest rooms and an inviting interior.
- H Hospitality:** Guests want their orders taken by friendly team members who are attentive and treat them with respect. If there is a mistake in the order or a breakdown in service, guests want the situation resolved quickly and politely.
- A Accuracy:** All menu items must be available for purchase at all times. Each guest's order must be filled correctly in terms of items ordered, size ordered, made with the correct ingredients and the guest should be charged the correct amount and given the correct change.
- M Maintenance:** Part of each guests' experience includes a restaurant that is well maintained on the exterior and on the interior.
- P Product Quality:** Each menu item ordered must have the correct appearance, proper portioning of ingredients, proper placement of ingredients and be served at minimum temperature standards.
- S Speed With Service:** Each guest must be greeted in a timely manner and receive quick speed with service in the Drive-Thru and at the front counter.

We understand that mistakes happen and it is not always the Team Member's fault. We are grateful for our customers and want to continue to build long-term loyalty. Most customer satisfaction complaints are the result of a failure to meet C.H.A.M.P.S. standards. If a C.H.A.M.P.S. breakdown occurs, follow these steps:

1. Team Members are empowered to try to resolve the problem immediately by following The Make Up process. They do not need to get a manager.

The Make Up consists of 3 parts:

- Answer the Phone - All Team Members are responsible for answering the phone when it rings.
- Apologize & Fix the Problem Without Question - We choose to believe our customers and be helpful. We are relentless about fixing the problem without question.
- Surprise & Delight - Surprise & delight the customer with a Make Up Card.

The Make Up process replaces the LAST Recovery Model, but we'll still use the behaviors of LAST to take the way we handle customer complaints to the next level.

LAST Behaviors

L = Listen to the customer's problem and show concern.

A = Apologize for the situation and thank the customer for bringing the problem to your attention.



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S = Satisfy by fixing the problem without question. When replacing an order, take back the order and discard. DO NOT reuse the food again for other customers.

T = Thank the customer for giving you the opportunity to resolve the problem and hand them a Make Up Card.

2. If the customer is still not satisfied and wishes to speak with someone else, tell the MIC.
3. If the MIC cannot resolve the problem, he or she should refer the customer to the Vicki Burnette, the Loss Prevention Specialist at 615-308-3624.

3-4 Employee Classifications

For purposes of this handbook, all employees fall within one of the classifications below.

Full-Time Employees - Salaried employees who regularly work at least 45 hours per week. These store-level employees are RGMs and AGMs.

Part-Time Employees - Hourly employees who regularly work 40 or fewer than 40 hours per week. These store-level employees are Shift Managers and Team Members

In addition to the above classifications, employees are categorized as either "exempt" or "non-exempt" for purposes of federal and state wage and hour laws. Employees classified as exempt do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such salary may be paid less frequently than weekly. The employee will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

3-5 Your Employment Records

In order to obtain their position, employees provided us with personal information, such as address and telephone number. This information is contained in the employee's personnel file..

The employee should keep his or her personnel file up to date by informing the Payroll Coordinator of any changes. The employee also should inform the Payroll Coordinator of any specialized training or skills he or she may acquire in the future, as well as any changes to any required visas. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage, and would delay W2 mailings. Further, an "out of date" emergency contact or an inability to reach the employee in a crisis could cause a severe health or safety risk or other significant problem. Please make sure our Payroll dept, Cheryl Eakes or Pam Jennings has your updated information by contacting one of them: Cheryl: ceakes@mrco.net or Pam: pjennings@mrco.net.

3-6 Working Hours and Schedule

The Home Office is normally open for business from 8:00 am to 5:00 pm, Monday through Friday. The Work Week at the Restaurants runs Wednesday through Tuesday. Depending on the trade area, the restaurants have different hours of operation. Your manager will assign a work schedule and you will be expected to begin and end work according to the schedule. Schedules will change week-to-week in order to accommodate the needs of the business.

Employees will be provided meal and rest periods as required by law. Your Supervisor will provide further details. Please note that it is Tennessee state law that minors are required to take a minimum 30



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minute unpaid break for every 6 hours they work in a shift. In Kentucky, Minors under 18 may not work more than 5 hours without an interval of at least 30 minutes for a lunch period.

3-7 Timekeeping Procedures

Hourly paid employees are to be paid for all hours worked. No hourly employee is ever allowed to work "off the clock" (without reporting their actual hours worked in the store). We consider this a serious violation of policy.

If you work overtime, you will be paid at a premium rate according to your state's laws. You must have a manager's approval before working any overtime. You are responsible for clocking in and out at the beginning and end of each shift. At the end of each pay period, you must verify the accuracy of your hours. Keep your clock-in/out records to facilitate this process.

Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time.

It is the employee's responsibility to sign time records to certify the accuracy of all time recorded. Any errors in the time record should be reported immediately to a Supervisor, who will attempt to correct legitimate errors.

3-8 Overtime

Like most successful companies, we experience periods of extremely high activity. During these busy periods, additional work is required from all of us. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide employees with adequate advance notice in such situations.

Any non-exempt employee who works overtime will be compensated at the rate of one and one-half times (1.5) his/her normal hourly wage for all time worked in excess of forty (40) hours each week, unless otherwise required by law.

Employees may work overtime only with prior management authorization.

For purposes of calculating overtime for non-exempt employees, the workweek begins at 12 a.m. on Wednesday and ends 168 hours later at 12 a.m. on the following Wednesday.

3-9 Breaks and Meals

Everyone needs and deserves a rest break or meal period when working. MRCO wants you to feel refreshed and productive while you work by following a few simple rules. According to state laws and regulations, you are entitled to rest breaks and meal periods.

Note: In every state, all breaks of fewer than 30 minutes must be paid. Ask your manager to show and explain to you your specific state's required posting of laws and regulations.

When you are scheduled to work a shift of three hours or more, you are eligible to receive one free meal



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while at work. You should follow these rules when ordering your free meal:

- **This free meal must be consumed on premises;** in other words, **it cannot be taken out of the unit.**
- The total regular menu price of your meal must not exceed \$5.00 (before sales tax).
- You must go to the front counter and place your order as a guest.
- The meal must be rung up by the Manager in Charge (MIC) or the assigned register person at the time you intend to eat the meal.
- Both you and the MIC must sign the discounted receipt and place the signed receipt in the cash drawer.

Beverages are available to you during your work shift. Designated drink cups must always be used. The drink must be consumed in the unit's designated break area out of customer sight and away from work-station areas. At no time should employee drinks be consumed or stored in or near food production or service areas.

For more information concerning our Employee Break and Free Meal Benefit please refer to MRCO's Policy and Procedures Manual.

3-10 Safe Harbor Policy for Exempt Employees

Employees classified as exempt salaried employees will receive a regular salary intended to compensate them for all hours they may work for the Company. Under federal and state law, salary is subject to certain deductions. For example, salary can be reduced for full day absences for personal reasons or for full-day absences, for FMLA absences, for sickness or disability absences, and for other reasons as permitted by law. Generally, one's salary cannot be reduced for partial day absences or if work is unavailable during part of a work week. In the event of a belief, concern, or questions about potentially improper deductions, immediately contact the Payroll Coordinator or Human Resources. Reports will not be the subject of retaliation. The matter will be promptly reviewed and errors will be corrected.

3-11 Your Paycheck

The employee will be paid bi-weekly for all the time worked during the past pay period.

Payroll stubs itemize deductions made from gross earnings. By law, the Company is required to make deductions for Social Security, federal income tax and any other

appropriate taxes. These required deductions also may include any court-ordered garnishments. Payroll stubs also will differentiate between regular pay received and overtime pay received.

If there is an error in an employee's pay, the employee should bring the matter to the attention of your Supervisor immediately so the Company can resolve the matter quickly and amicably. For salary errors, please see the Safe Harbor policy above.

Paychecks will be given only to the employee, unless he or she requests that they be mailed, or authorize in writing another person to accept the check.



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Paychecks:

- Questions regarding paychecks should be brought to the immediate attention of your manager.
- Paychecks and personal checks cannot be cashed in the store.
- All payroll deductions are listed on your check stub. Keep check stubs for your records.
- Payroll checks are delivered by courier or FedEx to your stores through the payroll service.
- Paychecks are distributed by managers on Tuesdays and are not considered late until 5:00 pm on Tuesday.

Sample Pay Period Calendar:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						4
			Pay Period 1 Starts ¹	2	3	11
5	6	Payday ⁷ from Previous Period	8	9	10	18
12	13	Pay Period 1 Ends ¹⁴	Pay Period 2 Starts ¹⁵	16	17	25
19	20	Pay Period 1 Payday ²¹	22	23	24	
26	27	Pay Period 2 Ends ²⁸	29	30	31	

3-12 Direct Deposit

MRCO and Affiliated Companies strongly encourages employees to use direct deposit. Authorization forms are available from the Payroll Coordinator, Cheryl Eakes. (ph) 615-377-5708, (fax) 615-377-4224, (email) ceakes@mrco.net

3-13 Performance Reviews

Depending on the employee's position and classification, MRCO and Affiliated Companies endeavors to review performance every six months. However, a positive performance evaluation does not guarantee an increase in salary, a promotion or continued employment.

Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management.



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Salaried positions are typically reviewed annually.

In addition to these formal performance evaluations, the Company encourages employees and supervisors to discuss job performance on a frequent and ongoing basis.

See policy manual for further details.



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SECTION 4 BENEFITS

4-1 Benefits Overview/Disclaimer

In addition to good working conditions and competitive pay, it is MRCO and Affiliated Companies' policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These benefits include time-off benefits, such as vacations and holidays, and insurance and other plan benefits. We are constantly studying and evaluating our benefits programs and policies to better meet present and future requirements. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs MRCO and Affiliated Companies provides employees and their families. Of course, the information presented here is intended to serve only as guidelines.

The descriptions of the insurance and other plan benefits merely highlight certain aspects of the applicable plans for general information only. The details of those plans are spelled out in the official plan documents, which are available for review upon request from the Benefits Manager. Additionally, the provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") for the plans (which may be revised from time to time). In the determination of benefits and all other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs and this handbook.

Further, MRCO and Affiliated Companies (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

While the Company intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If employees have any questions regarding benefits, they should contact the Benefits Manager.

4-2 Paid-Holidays

Full-Time RGM and AGM employees will be paid for the following holidays:

Thanksgiving Day and Christmas Day

When holidays fall or are celebrated on a regular work day, eligible employees will receive one (1) day's pay at their regular straight-time rate.

If a holiday falls within an eligible employee's approved vacation period, the eligible employee will be paid for the holiday (at the regular straight-time rate) in addition to the vacation day, or the eligible employee will receive an additional vacation day at the option of the Company.

If a holiday falls within a jury duty or bereavement leave, the eligible employee will be paid for the holiday (at the regular straight-time rate) in addition to the leave day, or the eligible employee will receive an additional day off at the option of the Company.



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4-3 Paid Vacations

We know how hard employees work and recognize the importance of providing time for rest and relaxation. We fully encourage employees to get this rest by taking your vacation time. Full-time RGM and AGM employees accumulate paid vacation time as follows:

During the first partial calendar year of employment and the first five (5) full calendar years of employment, full-time RGM and AGM employees accumulate 2 weeks of paid vacation. Thereafter, they will accumulate 3 weeks of paid vacation. Vacation is accumulated on a pro-rata basis throughout the year. Vacation time does not accumulate when an employee is on leave. Please consult MRCO's Policies and Procedures Manual for more specifics on RGM and AGM vacation.

All Hourly Employees earn vacation after one year of continuous employment. Total Vacation hours will be calculated based on average hours per week worked over the year with a maximum of 40 hours.

Every effort will be made to grant the employee's vacation preference, consistent with our operating schedule. However, if too many people request the same period of time off, the Company reserves the right to choose who may take vacation during that period. Employees with the longest length of service generally will be given preference. Vacation requests must be submitted to an employee's manager at least two (2) weeks in advance of their requested vacation dates.

4-4 Sick Days

Full-time RGMs and AGMs are eligible to receive up to two (2) paid sick days each year. If an employee will be out of work due to illness, he or she must call in and notify his or her supervisor as early as possible, but at least two hours before the start of the shift. If the employee calls in sick for three (3) or more consecutive days, he or she may be required to provide their supervisor with a doctor's note on the day he or she returns to work.

Sick days must be taken during the year they are received.

While sick days are intended to cover only an employee's own illnesses, if required by applicable state or local law, sick days may be used to care for a family member's (including civil union partners') illness or for any other reason required by applicable state or local law. Because sick days are intended to cover illness, unused sick days will not be paid upon separation of employment.

4-5 Lactation Breaks

Employees should advise management if they need break time and an area for this purpose. Employees will not be discriminated against or retaliated against for exercising their rights under this policy.

4-6 Workers' Compensation

On-the-job injuries are covered by our Workers' Compensation Insurance Policy, which is provided at no cost. If employees are injured on the job or believe they have an illness related to work, no matter how slight, they should report the incident/illness immediately to their Supervisor. Failure to follow Company procedures may affect the ability of the employee to receive Workers Compensation benefits.

This is solely a monetary benefit and not a leave of absence entitlement. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.



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4-7 Jury Duty

MRCO and Affiliated Companies realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. Employees are expected, however, to provide proper notice of a request to perform jury duty and verification of their service.

Employees also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. If the required absence presents a serious conflict for management, employees may be asked to try to postpone jury duty.

Employees on jury duty leave will be paid for their jury duty service in accordance with state law; however, exempt employees will be paid their full salary for any week in which time is missed due to jury duty if work is performed for the Company during such week.

4-8 Bereavement Leave

We know the death of a family member is a time when employees wish to be with their families. If the employee is a Full Time RGM or AGM employee and loses a close relative, he or she will be allowed paid time off of up to two (2) days to assist in attending to his or her obligations and commitments. For the purposes of this policy, a close relative includes a spouse, domestic partner, child, parent, sibling or any other relation required by applicable law. Paid leave days only may be taken on regularly scheduled, consecutive workdays following the day of death. Employees must inform their Supervisors prior to commencing bereavement leave. In administering this policy, the Company may require verification.

4-9 Voting Leave

In the event an employee does not have sufficient time outside of working hours to vote in a statewide election, if required by state law, the employee may take off enough working time to vote. Such time will be paid if required by state law. This time should be taken at the beginning or end of the regular work schedule. Where possible, your Supervisor should be notified at least two days prior to the voting day.

4-10 Insurance Programs

Full-time RGMs and AGMs may participate in the Company's insurance programs. Under these plans, eligible employees will receive comprehensive health and other insurance coverage for themselves and their families, as well as other benefits.

Additionally, part-time employees including Shift Managers and other Team Members who fulfill eligibility requirements for the Affordable Care Act (ACA) will receive the option to enroll. The ACA eligibility requirement is one year of continuous employment, maintaining 30-hour average per week.

Upon becoming eligible to participate in these plans, you will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Of course, feel free to speak to Human Resources if you have any further questions.

4-11 Long-Term Disability Benefits

Full-time RGM and AGM employees are eligible to participate in the Long-Term Disability plan, subject to all terms and conditions of the agreement between the Company and the insurance carrier.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must



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also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

4-12 Salary Continuation

MRCO and Affiliated Companies provides the option to purchase monetary short-term disability benefits for full-time RGMs and AGMs. Please call Tonya Shahsavari if you have questions regarding this benefit.

4-13 Retirement Plan

Eligible employees are able to participate in the Company's retirement plan. Plan participants may make pre-tax contributions to a retirement account.

Every employee will have the opportunity to attend a meeting regarding this benefit option once eligible. There are meetings held two times per year, so there are several chances to learn about the 401k plan. Open enrollment for eligible participants occurs in June and July of each year. Requirements to enter the plan are:

- One year of service
- 21 years of age
- 1000 hours worked in the year

Upon becoming eligible to participate in this plan, the employee will receive an SPD describing the plan in greater detail. Please refer to the SPD for detailed plan information. Of course, feel free to speak to the Benefits Manager if there are any further questions.



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SECTION 5 - LEAVES OF ABSENCE

5-1 Personal Leave

If employees are ineligible for any other Company leave of absence, MRCO and Affiliated Companies, under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and employees are not eligible for leave under the federal Family and Medical Leave Act (FMLA) or any state leave law, medical certification also must be submitted. The request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. However a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to management and the request is granted. During the leave, employees will not accumulate vacation, personal days or sick days. We will continue health insurance coverage during the leave if employees submit their share of the monthly premium payments to the Company in a timely manner, subject to the terms of the plan documents.

When the employee anticipates returning to work, he or she should notify management of the expected return date. This notification should be made at least one week before the end of the leave.

Upon completion of the personal leave of absence, the Company will attempt to return employees to their original job or a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

Failure to advise management of availability to return to work, failure to return to work when notified or a continued absence from work beyond the time approved by the Company will be considered a voluntary resignation of employment.

All leave requests require a Leave of Absence Form to be signed by the Area Coach and faxed or emailed to HR. The Company reserves the right to request additional medical information related to a leave and to set all terms and conditions of the leave.

5-2 Military Leave

If employees are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, employees must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, employees will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should ask management for further information about eligibility for Military Leave.

If employees are required to attend yearly Reserves or National Guard duty, they can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). They should give management as much advance notice of their need for military leave as possible so that we can maintain proper coverage while employees are away.



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5-3 Family and Medical Leave

I. Employer Requirements

An employer must allow FMLA leave for a qualifying, “eligible employees.” To be an “eligible employee,” an employee must: 1) have been employed by the Company for at least 12 months (which need not be consecutive); 2) have been employed by the Company for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave; and 3) be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

The FMLA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a rolling 12-month period. Leave may be taken for any one, or for a combination, 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, daughter or parent (but not in-law) who has a serious health condition;

For the employee’s own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care or childbirth) that makes the employee unable to perform one or more of the essential functions of the employee’s job; and/or

A serious health condition is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

The FMLA also covers leave because of any qualifying exigency arising out of the fact that an employee’s spouse, son, daughter or parent is a military member on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserves component of the Armed Forces for deployment to a foreign country in support of contingency operation or Regular Armed Forces for deployment to a foreign country. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered military service member is entitled to take up to 26 weeks of leave during a single 12-month period to care for the service member with a serious injury or illness. Leave to care for a service member shall only be available during a single 12-month period and, when combined with other FMLA- qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured service member.



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FMLA leave usually will be taken for a period of consecutive days, weeks or months. However, employees also are entitled to take FMLA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member or the serious injury or illness of a covered service member. Qualifying exigency leave also may be taken on an intermittent basis.

FMLA leave is unpaid. However, employees may use any accumulated paid time off while taking unpaid FMLA leave. Paid time off and other types of leave will run concurrently with FMLA leave. During FMLA leave, employees are entitled to continued group health plan

The FMLA makes it unlawful for employers to: 1) interfere with, restrain or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact Human Resources immediately. The Company will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA violation. The FMLA also provides a right of private redress in the courts and with the United States Department of Labor. coverage under the same conditions as if they had continued to work.

II. Employee Requirements

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

- a medical condition renders them unable to perform the functions of their job, together with other information indicating a serious health condition;
- they are pregnant or have been hospitalized overnight;
- they or a covered family member are under the continuing care of a health care provider;
- the leave is due to a qualifying exigency caused by a military member being on covered active duty or called to covered active duty status to a foreign country; or
- if the leave is for a family member, that the condition renders the family member unable to perform daily activities or that the family member is a covered servicemember with a serious injury or illness.

Calling in "sick," without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to the Company's questions to determine if absences are potentially FMLA-qualifying. If employees fail to explain the reasons for FMLA leave, the leave may be denied. When employees seek leave due to FMLA-qualifying reasons for which the Company has previously provided FMLA-protected leave, they must specifically reference the qualifying reason for the leave or the need for FMLA leave.

Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate timing of the need for leave is not



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foreseeable, employees must provide the Company notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give 30 days' notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied.

When planning medical treatment, employees must consult with the Company and make a reasonable effort to schedule treatment so as not to unduly disrupt the Company's operations, subject to the approval of an employee's health care provider. Employees must consult with the Company prior to the scheduling of treatment to work out a treatment schedule that best suits the needs of both the Company and the employees, subject to the approval of an employee's health care provider. If employees providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglect to fulfill this obligation, the Company may require employees to attempt to make such arrangements, subject to the approval of the employee's health care provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered service member, the Company may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, employees must advise the Company of the reason why such leave is medically necessary. In such instances, the Company and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting the Company's operations, subject to the approval of the employee's health care provider.

Depending on the nature of FMLA leave sought, employees may be required to submit certifications, medical or otherwise, supporting their need for FMLA-qualifying leave.

Employees returning to work from FMLA leaves may be required to submit fitness for duty certifications.

False statements and/or fraud related to an FMLA request will result in termination. For example, taking of another job while on family/medical leave, which is inconsistent with the FMLA leave is grounds for immediate discharge, to the extent permitted by law. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult the Company's other leave policies in this handbook or contact Human Resources.



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SECTION 6 - GENERAL STANDARDS OF CONDUCT

6-1 Workplace Conduct

MRCO and Affiliated Companies endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including discharge, in the Company's sole discretion. The following are examples of some, but not all, conduct which can be considered **unacceptable**:

1. Obtaining employment on the basis of false or misleading information.
2. Stealing, removing or defacing MRCO and Affiliated Companies property or a co-worker's property, and/or disclosure of confidential, proprietary information, such as private business methods, operating information, or financial data which would be useful to competitors, or an employee's private medical information.
3. Completing another employee's time records.
4. Violation of safety rules and policies.
5. Violation of MRCO and Affiliated Companies' Drug and Alcohol-Free Workplace Policy.
6. Fighting, threatening or disrupting the work of others or other violations of MRCO and Affiliated Companies' Workplace Violence Policy.
7. Failure to follow lawful instructions of a supervisor.
8. Failure to perform assigned job duties.
9. Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences.
10. Gambling on Company property.
11. Willful or careless destruction or damage to Company assets or to the equipment or possessions of another employee.
12. Wasting work materials.
13. Not working on Company business during working time.
14. Violation of the Solicitation and Distribution Policy.
15. Violation of MRCO and Affiliated Companies' Harassment or Equal Employment Opportunity Policies.
16. Violation of the Communication and Computer Systems Policy.



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17. Unsatisfactory job performance.
18. Any other violation of Company policy.

Obviously, not every type of misconduct can be listed. Note that all employees are employed at-will, and MRCO and Affiliated Companies reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. The Company will deal with each situation individually and nothing in this handbook should be construed as a promise of specific treatment in a given situation. While MRCO and Affiliated Companies use progressive discipline at times, the Company reserves the right in its sole discretion to determine the level of discipline or to move directly to termination at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

6-2 Punctuality and Attendance

Employees are hired to perform important functions at MRCO and Affiliated Companies. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on fellow employees and Supervisors. We expect excellent attendance from all employees. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

We do recognize, however, there are times when absences and tardiness cannot be avoided. In such cases, employees are expected to notify Supervisors as early as possible, but no later than two hours prior to the beginning of the shift. Asking another employee, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. Employees should call, stating the nature of the illness and its expected duration, for every day of absenteeism.

A no call, no show will be considered a voluntary resignation of employment with the Company.

6-3 Cash Handling

Cash control procedures must be followed in order to protect the safety of all employees and the profitability of the restaurant. For these reasons, all employees need to understand basic cash handling procedures.

1. When you are assigned a cash drawer you are accountable for the money in the drawer and the sales you ring up.

Count the amount in the drawer before and after your shift.

Write the amount counted on the Daily Control Sheet.

2. While working during your shift:

Ask the MIC for change--don't make change between cash drawers.

Don't allow anyone to use your register drawer including managers.

Never use another person's drawer.



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Complete only one transaction at a time.

3. If there's a problem:

Ask the MIC to verify bills over \$20.00

Use good common sense when guests challenge their change.

Excessive cash shortages, overages, or deletions are subject to disciplinary action including termination and possible legal action.

More detailed information on cash handling procedures are in the Taco Bell Answer Book System. You will learn how to properly handle cash during cashier training.

6-4 Use of Communications and Computer Systems

MRCO and Affiliated Companies' communication and computer systems are intended primarily for business purposes; however limited personal usage is permitted if it does not hinder performance of job duties or violate any other Company policy. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of the MRCO and Affiliated Companies systems.

MRCO and Affiliated Companies may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

Further, MRCO and Affiliated Companies may review Internet usage to ensure that such use with Company property, or communications sent via the Internet with Company property, are appropriate. The reasons for which the Company may review employees' use of the Internet with Company property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

The Company's policies prohibiting harassment, in their entirety, apply to the use of Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Further, since the Company's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.

No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.



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Violators of this policy may be subject to disciplinary action, up to and including discharge.

6-5 Use of Social Media

MRCO and Affiliated Companies respects the right of any employee to maintain a blog or web page or to participate in a social networking, Twitter or similar site, including but not limited to Facebook and LinkedIn. However, to protect Company interests and ensure employees focus on their job duties, employees must adhere to the following rules:

- Restaurant Employees should not post on a blog or web page or participate on a social networking platform, such as Twitter or similar site, during their working time.
- All rules regarding confidential and proprietary business information apply in full to blogs, web pages and social networking platforms, such as Twitter, Facebook, LinkedIn or similar sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed in a blog, web page or social networking site.
- Whether an employee is posting something on his or her own blog, web page, social networking, Twitter or similar site or on someone else's, if the employee mentions the Company and also expresses either a political opinion or an opinion regarding the Company's actions that could pose an actual or potential conflict of interest with the Company, the poster must include a disclaimer. The poster should specifically state that the opinion expressed is his/her personal opinion and not the Company's position. This is necessary to preserve the Company's good will in the marketplace.
- Any conduct that is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a blog, web page, social networking, Twitter or similar site. For example, posted material that is discriminatory, obscene, intentionally false and defamatory or advocates physical violence is forbidden. Company policies apply equally to employee social media usage.
- MRCO and Affiliated Companies encourages all employees to keep in mind the speed and manner in which information posted on a blog, web page, and/or social networking site is received and often misunderstood by readers. Employees must use their best judgment. Employees with any questions should review the guidelines above and/or consult with their manager. Failure to follow these guidelines may result in discipline, up to and including discharge.

6-6 Inspections

MRCO and Affiliated Companies reserves the right to require employees while on Company property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Company or client property, and work areas. This includes vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Employees are expected to cooperate in the conduct of any search or inspection.

6-7 Smoking

Smoking, including the use of e-cigarettes, or vaping, is prohibited on Company premises. Please use only designated areas. Ask your manager for your store's designated smoking area.



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6-8 Personal Visits and Telephone Calls

Disruptions during work time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during lunch or break time. For safety and security reasons, employees are prohibited from having personal guests visit or accompany them in the restaurants behind the counter.

6-9 Solicitation and Distribution

To avoid distractions, solicitation by an employee of another employee is prohibited while either employee is on their working time and in all selling and direct customer service areas. "Work time" is defined as the time an employee is engaged, or should be engaged, in performing his/her work tasks for Company. Solicitation of any kind by non-employees on Company premises is prohibited at all times.

Distribution of advertising material, handbills, printed or written literature of any kind in selling and direct customer service areas and all other working areas of Company is prohibited at all times. Distribution of literature by non-employees on Company premises is prohibited at all times.

6-10 Bulletin Boards

Important notices and items of general interest are continually posted on our bulletin board. Employees should make it a practice to review it frequently. These notices and items of general interest will be related exclusively to operating issues. This will assist employees in keeping up with what is current at MRCO and Affiliated Companies. To avoid confusion, employees should not post, remove or deface any material from the bulletin board.

6-11 Confidential Company Information

During the course of work, an employee may become aware of confidential information about MRCO and Affiliated Companies' business, including but not limited to information regarding Company finances, pricing, products and new product development, software and computer programs, marketing strategies, suppliers and customers and potential customers. An employee also may become aware of similar confidential information belonging to the Company's clients. It is extremely important that all such information remain confidential, and particularly not be disclosed to our competitors. Any employee who improperly copies, removes (whether physically or electronically), uses or discloses confidential information to anyone outside of the Company may be subject to disciplinary action up to and including termination. Employees may be required to sign an agreement reiterating these obligations.

6-12 Conflict of Interest and Business Ethics

It is MRCO and Affiliated Companies' policy that all employees avoid any conflict between their personal interests and those of the Company. The purpose of this policy is to ensure that the Company's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the Company.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. holding an interest in or accepting free or discounted goods from any organization that does, or



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is seeking to do, business with the Company, by any employee who is in a position to directly or indirectly influence either the Company's decision to do business, or the terms upon which business would be done with such organization;

2. holding any interest in an organization that competes with the Company;
3. being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Company or which competes with the Company; and/or
4. profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with the Company.

A conflict of interest would also exist when a member of an employee's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is your responsibility to report any actual or potential conflict that may exist between you (and your immediate family) and the Company.

6-13 Use of Facilities, Equipment and Property, Including Intellectual Property

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace.

When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

Employees should notify their Supervisor if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of loss, damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The Supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment used on the job.

Employees also are prohibited from any unauthorized use of the Company's intellectual property, such as audio and video tapes, print materials and software.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

6-14 Health and Safety

The health and safety of employees and others on Company property are of critical concern to MRCO and Affiliated Companies. The Company intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the Company's premises, or in a product,



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facility, piece of equipment, process or business practice for which the Company is responsible should be brought to the attention of management immediately.

Periodically, the Company may issue rules and guidelines governing workplace safety and health. The Company may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste. All employees should familiarize themselves with these rules and guidelines, as strict compliance will be expected.

We value you as a part of our team and do not want you to get hurt on the job. When you use the appropriate provided Personal Protective Equipment (PPE) and use it correctly, you can significantly reduce your risk of injury. More detailed information on safety practices and PPE will be discussed during your training. By following these safety practices, you can prevent many injuries from occurring:

Burn Prevention

- Use caution when stirring or using the sauces on the line. They are hot and can burn you. Avoid dropping the ladle in the sauce, as this causes splashing.
- Use extreme caution when working with hot or boiling water. The water from the hot water equipment can burn you.
- Always wear the provided heat resistant safety gloves and apron (PPE) when frying and handling hot food, hot pans and “boil in the bag” products.

Cuts

- Use knives for cutting produce only. Do not use knives to cut open boxes or soap packages. Only use safety scissors (PPE) for opening plastic bags. Only use the approved box cutter (PPE) for cutting boxes.
- Never put knives in a sink full of water. Wash immediately and put them in their proper storage location.
- Always wear the cut resistant safety glove (PPE) when using a knife. If you are not sure of where the glove is stored, ask your manager.

Slips and Falls

- Immediately clean spills or things dropped on the floor so no one slips.
- Always walk.
- Always wear slip resistant shoes (PPE).
- Always use the wet floor sign when mopping. The “Caution Wet Floor” sign should be placed in view of customers before you start mopping and remain in place until the floor is dry.



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Back Injury

- Never lift anything that is too heavy for you, ask for help.
- When lifting heavy things, bend your legs and keep your back straight.
- Straighten your legs to lift the object.
- Always wear the back support lifting belt (PPE) when putting stock away, changing bulk soda syrup, or carrying heavy cases of food or supplies.

Miscellaneous

- Immediately report all injuries to the manager on duty. The manager will then report the injury to our Workers' Compensation Insurance Carrier and our Loss Prevention Manager.
- A first aid kit is located in the restaurant. If an employee is severely injured, call an ambulance. For less severe injuries, call a taxi if other transportation is not available.

Note: It is a company policy to always immediately report an injury to the manager in charge.

Food Safety Rules:

Food Safety

- Do not serve food held at unsafe temperatures (Cold ingredients must be held below 41 degrees and Hot ingredients must be held above 135 degrees).
- Never mix cooked and uncooked product in the same area.
- Keep chicken separate.

Cleanliness

- Follow the 3-sink method of washing, rinsing and sanitizing all pots, pans, and utensils.
- Always clean and sanitize utensils between uses.
- Keep all cleaning equipment in good working order.
- Store garbage in covered containers. Keep garbage area clean and away from food.
- Keep doors and windows closed and in good repair to keep pests out.
- Label cleaning supplies and store away from food.
- Use only MRCO approved cleaning supplies.
- Clean as you go!



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Health/Hygiene

- Do not handle food if you have open cuts, sores or an infection.
- Do not come to work and use proper call-out procedures in the event that you are ill.
- Treat and bandage burns and cuts following the “Blue Band-Aid” procedures in the Answer Book.
- The guests’ health is one of our primary responsibilities, so do not come to work with a contagious illness. Please refer to detailed Employee Health Policy in the Taco System.
- Wash your hands with hot water and soap before handling food. Dry your hands using clean paper towels.
- Use hand sanitizing gel after washing and drying your hands.
- Keep your uniform clean.
- Bathe daily.
- Wear the approved MRCO head coverings at all times to prevent hair from falling in food.

Security

You will complete a Learning Zone Module on Safety and Security. Your manager will also elaborate on Security procedures for opening and closing the store, etc. For your personal safety and store security, unauthorized personnel; including friends, relatives, and off-duty team members, are not permitted behind the front line of the store, and they are not permitted in the store after closing, before opening and when the drive-thru is open but the dining room is closed.

Alarm System Information

If your restaurant has an alarm system, your manager will show you where it is and how to use it.

- Alarm buttons should only be used in the case of robbery.
- Other uses will lead to disciplinary action.
- Alarm buttons should be used if you can safely press it without the robber observing you.

Back Door Security

The back door should be kept securely closed and locked at all times. Do not open the back door after dark. Follow security procedures described in the Answer Book when entering and leaving the store.

After Dark Security

Keep the back door locked and do not open it for any reason. Do not remove trash through the back door.



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Trash may be removed up to one hour before closing through the dining room door, but no later than 11:00 pm and following these listed precautions:

- Wear a drive-thru headset and re-enter through the dining room door, not the back door.
- Never take trash out after closing.
- Never take trash to the dumpster as you leave the store at the end of your shift.

Also, any workplace injury, accident, or illness must be reported to the employee's Supervisor as soon as possible, regardless of the severity of the injury or accident.

Parking Safety

For the convenience of our guests and for your personal safety, follow these parking rules:

- If you work during daylight hours park your car in a space away from the door so that convenient parking is available for guests.
- If you work late night hours park near the door that you will exit from at the end of your shift. Move your car to this location after the dinner rush.
- Remember to select a location where it is visible from inside the restaurant.
- **NEVER** park your vehicle in or around the dumpster area at night and
- **NEVER** exit the store by the back door when leaving at the end of your shift.

6-15 Hiring Relatives/Employee Relationships

A familial relationship among employees can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, MRCO and Affiliated Companies may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

In other cases, such as personal relationships where a conflict or the potential for conflict

arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or discharged from employment, at the discretion of the Company. Accordingly, all parties to any type of intimate personal relationship must inform management.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. The Company generally will attempt to identify other available positions, but if no alternate position is available, the Company retains the right to decide which employee will remain with the Company.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

6-16 Employee Dress and Personal Appearance



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You are expected to report to work well groomed, clean, and dressed according to the requirements of your position. Some employees may be required to wear uniforms or safety equipment/clothing. Please contact your Supervisor for specific information regarding acceptable attire for your position. If you report to work dressed or groomed inappropriately, you may be prevented from working until you return to work well-groomed and wearing the proper attire.

Please see Taco Bell's Grooming Policy.

6-17 Publicity/Statements to the Media

All media inquiries regarding the position of the Company as to any issues must be referred to Human Resources. Only Human Resources is authorized to make or approve public statements on behalf of the Company. No employees, unless specifically designated by Human Resources, are authorized to make those statements on behalf of Company. Any employee wishing to write and/or publish an article, paper, or other publication on behalf of the Company must first obtain approval from Human Resources.

6-18 Operation of Vehicles

All employees authorized to drive personal vehicles in conducting Company business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

An employee must have a valid driver's license in his or her possession while operating a vehicle off or on Company property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times. All employees who drive for company business will be subject to an annual MVR.

Portable Communication Device Use While Driving

Employees who drive on Company business must abide by all state or local laws prohibiting or limiting portable communication device (PCD) use, including cell phones or personal digital assistants, while driving. Further, even if use is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employee is driving, and permitted by law, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a PCD while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving is prohibited in all circumstances.



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6-19 References

MRCO and Affiliated Companies will respond to reference requests through the Human Resources Department. The Company will provide general information concerning the employee such as date of hire, date of discharge, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to the Human Resources Department.

Only the Human Resources Department may provide references.

6-20 If You Must Leave Us

Should an employee decide to leave the Company, we ask that he or she provide a Supervisor with at least two (2) weeks advance notice of departure. Thoughtfulness will be appreciated. All Company property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. Employees also must return all of the Company's Confidential Information upon separation. To the extent permitted by law, employees will be required to repay the Company, (through payroll deduction, if lawful) for any lost or damaged Company property. As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

6-21 Exit Interviews

Employees who resign may be asked to participate in an exit interview with Human Resources, if possible.

6-22 A Few Closing Words

This handbook is intended to give employees a broad summary of things they should know about MRCO and Affiliated Companies. The information in this handbook is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this handbook, MRCO and Affiliated Companies, in its sole discretion, may always amend, add to, delete from or modify the provisions of this handbook and/or change its interpretation of any provision set forth in this handbook. Employees should not hesitate to speak to management if they have any questions about the Company or its personnel policies and practices.



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SECTION 7 - KENTUCKY ADDENDUM

7-1 Adoption Leave

Employees are entitled to an unpaid leave of absence of up to six (6) weeks for the purposes of adopting a child under age seven (7). Advance written notice is required. The Company may require verification of adoption. Leave runs concurrently with any other leave provided by the Company. Employees may use accumulated time off for this purpose.

7-2 Kentucky Pregnancy Accommodation Act

The Company prohibits discrimination and inappropriate conduct, behaviors or comments related to, motivated by, or about...pregnancy, pregnancy-related medical conditions, or child birth. The Company reasonably accommodates an employee's medical limitations and medical requirements related to pregnancy and child birth, which includes but is not limited to providing a private place, other than a restroom, to express breast milk.



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SECTION 8 - TENNESSEE ADDENDUM

8-1 Maternity Leave

Full-time employees with at least 12 consecutive months of service as a full-time employee are entitled to an unpaid leave of absence of up to four (4) months for pregnancy, childbirth and nursing the infant. Except in emergency situations, three (3) months' notice of leave is required to guarantee reinstatement; however, in certain situations reinstatement is not guaranteed. Leave runs concurrently with any other leave provided by the Company.