



LUCKEY FARMERS, INC.

EMPLOYEE HANDBOOK

Issued January 1, 2010

Employment-At-Will Notice

IMPORTANT NOTICE TO EMPLOYEES

PLEASE READ

THIS HANDBOOK IS A GENERAL GUIDE AND DOES NOT CONSTITUTE AN EMPLOYMENT AGREEMENT OR A GUARANTEE TO CONTINUED EMPLOYMENT. IT IS NOT AN EMPLOYMENT CONTRACT. LUCKEY FARMERS, INC. RESERVES THE RIGHT TO MAKE CHANGES TO THIS HANDBOOK AT ANY TIME WITHOUT NOTICE. HOWEVER, EMPLOYEES WILL BE PROVIDED A WRITTEN COPY OF THE CHANGES.

NOTHING IN THIS HANDBOOK IS INTENDED TO UNLAWFULLY RESTRICT AN EMPLOYEE'S RIGHT TO ENGAGE IN ANY OF THE RIGHTS GUARANTEED THEM BY SECTION 7 OF THE NATIONAL LABOR RELATIONS ACT, INCLUDING BUT NOT LIMITED TO, THE RIGHT TO ENGAGE IN CONCERTED PROTECTED ACTIVITY FOR THE PURPOSES OF THEIR MUTUAL AID AND/OR PROTECTION. NOTHING IN THIS HANDBOOK WILL BE INTERPRETED, APPLIED OR ENFORCED TO INTERFERE WITH, RESTRAIN OR COERCE EMPLOYEES IN THE EXERCISE OF SECTION 7 RIGHTS.

EMPLOYMENT AT LUCKEY FARMERS, INC. IS EMPLOYMENT AT WILL AND MAY BE TERMINATED AT THE WILL OF EITHER THE COMPANY OR THE EMPLOYEE. YOU HAVE THE RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE OR NOTICE, AND THE COMPANY HAS A SIMILAR RIGHT.

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Introduction

Welcome to Luckey Farmers, Inc.

Luckey Farmers, Inc. has prepared this handbook to provide you with an overview of the Company's policies, benefits, and rules. **PLEASE READ IT CAREFULLY.** It is intended to familiarize you with important information about the Company, as well as provide guidelines for your employment experience with us in an effort to foster a safe and healthy work environment.

All personnel policies are a condition of employment and will apply in addition to any applicable laws and regulations. Upon completion of your review of this handbook, please sign the acknowledgement statement on the last page and return to the Human Resources Department.

Thank you for joining our team!

For assistance or questions regarding any of these handbook policies, you may contact Julie Myers or Dustin Brown at 419-849-2711.

Business Hours of Operation:

Monday through Friday: 8:00 a.m. to 5:00 p.m.

Business Contact Information:

Phone number (main line): 419-849-2711

Address: 1200 West Main Street, Woodville, OH

Email address: jmyers@luckeyfarmers.com
dbrown@luckeyfarmers.com

Web address: www.luckeyfarmers.com

Mission Statement

Our mission is to provide quality products and outstanding service to our customers, to treat our customers and employees in a respectful and friendly manner, and to be a positive influence in the community.

We are dedicated to developing our employees personally and professionally. Our goal is to provide a dynamic work environment with an opportunity for training, education, and guidance whenever possible.

Open Door Policy

The Company encourages you to bring questions, suggestions and complaints to our attention. This feedback and input will be carefully considered in our continuing effort to improve operations.

If you feel there is a problem, you should present the situation to your immediate supervisor so the problem can be settled by examination and discussion of the facts. Generally, the supervisor will be able to satisfactorily resolve most matters.

If you still have questions after meeting with the immediate supervisor or if you would like further clarification on the matter, you should request a meeting with the next level manager.

Your suggestions and comments on any subject are important and we encourage all employees to take every opportunity to discuss them with us. Your job will not be adversely affected in any way because you choose to use this procedure.

If at any time you do not feel comfortable speaking with your supervisor or the next level of management, discuss your concern with Human Resources or any other manager or supervisor with whom you feel comfortable.

Code of Conduct

Employees at Luckey Farmers, Inc. must conduct themselves at all times in an ethical and professional manner. The Company code of conduct requires that employees act with honesty, integrity and good judgment. Each employee should demonstrate respect for the rights of others.

Any incident of unethical or dishonest behavior should be reported to your immediate supervisor. All reports of unethical behavior will be investigated thoroughly. If the allegation is substantiated, management will determine the appropriate disciplinary action. Employees who violate ethical standards may be subject to discipline, up to and including termination. Employees who report misconduct with good faith will not be retaliated against.

Avoid Conflicts of Interest

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. At times, we may be faced with situations where the business actions we take on behalf of Luckey Farmers may conflict with our own personal or family interests because of the course of action that is best for us personally may not also be the best course of action for Luckey Farmers. We owe a duty to Luckey Farmers to advance its legitimate interests when the opportunity to do so arises. We must never use Luckey Farmers property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Luckey Farmers.

Here are some other ways in which conflicts of interest could arise:

1. Being employed (you or a close family member) by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while you are employed with Luckey Farmers.
2. Serving as a board member for an outside commercial company or organization.
3. Owning or having a substantial interest in a competitor, supplier or contractor.
4. Accepting gifts, discounts, favors or services from a customer/potential customer, competitor or supplier, unless equally available to all Luckey Farmers employees.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department

Equal Opportunity Statement

Luckey Farmers, Inc. is an Equal Opportunity Employer. Individuals are hired solely upon the basis of their qualifications and ability to fulfill the requirements of the job.

Luckey Farmers, Inc. has an ongoing commitment to the creation of a workplace free of discrimination and harassment. All policies and practices will be administered without regard to race, color, creed, age, religion, ancestry, national origin, gender, military or veteran status, marital status, disability or genetics. We comply with all local, state, and federal laws pertaining to employment and discrimination will not be tolerated. We will also make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship.

Every employee and manager/supervisor has the responsibility to uphold this policy. Any questions or concerns regarding any aspect of this policy should be directed to the Human Resources Department.

General Work and Employment Policies

Non-Discrimination and Anti-Harassment Policy

Luckey Farmers is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, Luckey Farmers expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

Equal Employment Opportunity

It is the policy of Luckey Farmers to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, gender, gender expression, gender identity, sex pregnancy, age, sexual orientation, creed, ancestry, disability, military status, veteran status, marital status, family status, physical characteristics, HIV-status, or genetic information. Luckey Farmers prohibits and will not tolerate any such discrimination or harassment.

Definitions of Harassment

a. Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; ii) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (iii) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not so subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include, but are not limited to: unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, catcalls or touching; insulting or obscene comments or gestures; display or circulation in the workplace of sexually suggestive objects or pictures (including through e-mail, texting, electronic postings and any social media platforms); and other physical, verbal or visual conduct of a sexual nature. Sex-based harassment that is, harassment not involving sexual activity or language (e.g., male manager yells only at female employees and not males) may also constitute discrimination if it is severe or pervasive and directed at employees because of their sex.

b. Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, national origin, religion, gender, gender expression, gender identity, sex pregnancy, age, sexual orientation, creed, ancestry, disability, military status, veteran status, marital status, family status, physical characteristics, HIV-status, or genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that: (i) has the purpose or effect of creating an intimidating, hostile or offensive work environment; (ii) has the purpose or effect of unreasonably interfering with an individual's work performance; or (iii) otherwise adversely affects an individual's conditions of employment.

Harassing conduct includes, but is not limited to: epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes and display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including through e-mail, texting, electronic postings and any social media platforms).

Individuals and Conduct Covered

These policies apply to all applicants and employees, and prohibit harassment, discrimination and retaliation whether engaged in by fellow employees, by a supervisor or manager or by someone not directly connected to Luckey Farmers, Inc. (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Retaliation Is Prohibited

Luckey Farmers prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports. Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action.

Complaint Procedure

Reporting an Incident of Harassment, Discrimination or Retaliation

Luckey Farmers strongly urges the reporting of all incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced conduct that they believe is contrary to Luckey Farmers' policy or who have concerns about such matters should file their complaints

with their immediate supervisor, the President and CEO or the Human Resources Department before the conduct becomes severe or pervasive. Individuals should not feel obligated to file their complaints with their immediate supervisor first before bringing the matter to the attention of one of the other Luckey Farmers designated representatives identified above.

IMPORTANT NOTICE TO ALL EMPLOYEES:

Employees who have experienced conduct they believe is contrary to this policy have an obligation to take advantage of this complaint procedure. An employee's failure to fulfill this obligation could affect his or her rights in pursuing legal action. Also, please note, federal, state and local discrimination laws establish specific time frames for initiating a legal proceeding pursuant to those laws.

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment. Therefore, while no fixed reporting period has been established, Luckey Farmers strongly urges the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. Luckey Farmers will make every effort to stop alleged harassment before it becomes severe or pervasive, but can only do so with the cooperation of its staff/employees.

The availability of this complaint procedure does not preclude individuals who believe they are being subjected to harassing conduct from promptly advising the offender that his or her behavior is unwelcome and requesting that it be discontinued.

The Investigation

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly, thoroughly and impartially. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Responsive Action

Misconduct constituting harassment, discrimination or retaliation will be dealt with promptly and appropriately. Responsive action may include, for example, training, referral to counseling, monitoring of the offender and/or disciplinary action such as warning, reprimand, withholding of a promotion or pay increase, reduction of wages, demotion, reassignment, temporary suspension without pay or termination, as Luckey Farmers believes appropriate under the circumstances.

Individuals who have questions or concerns about these policies should talk with the President and CEO.

Finally, these policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related social activities or discussions in order to avoid allegations of harassment. The law and the policies of Luckey Farmers prohibit disparate treatment on the basis of sex or any other protected characteristic, with regard to terms, conditions, privileges and perquisites of employment. The prohibitions against harassment, discrimination and retaliation are intended to complement and further these policies, not to form the basis of an exception to them.

Immigration Law Compliance

Federal Law requires all employees to present documentation confirming their identity and eligibility to work in the United States. New employees and re-hires must complete the I-9 Employment Eligibility Verification Form within three business days of their start date.

Introductory Evaluation Period

Every employee goes through an initial period of adjustment in order to learn about the Company and their job. During this time the employee will have an opportunity to find out if they are suited to, and likes, their new position.

Additionally, the initial employment period gives the employee's supervisor a reasonable period of time to evaluate his/her performance. The initial employment period is 30 days.

Your performance will be carefully evaluated during this period. You may be discharged at any time during this period if your Supervisor concludes that you are not progressing or performing satisfactorily.

This policy in no way alters the at-will employment relationship: Luckey Farmers, Inc. may end the employment relationship at any time during or after the introductory period.

Drug Free Workplace

Statement

Luckey Farmers, Inc. as part of its continuing effort to protect the health, safety, and security of its employees and provide a productive and efficient workplace has adopted a drug and alcohol testing policy. The unlawful use, of any illegal drug and/or the misuse of legal drugs or alcohol by any employee is strictly prohibited. Luckey Farmers also prohibits reporting to work or performing services while impaired by the use of alcohol or consuming alcohol while on duty or during work hours.

Philosophy

It is the policy of Luckey Farmers to maintain a drug-and alcohol-free work environment that is safe and productive for employees and others having business with the company. Consistent with this philosophy, the Company has adopted this Policy to test for alcohol and drugs in the hiring of new employees.

Definitions

Alcohol - any liquid that has an alcohol content in excess of .5% by volume. This may include, but is not limited to, beer, wine, liquor, cough syrups, and similar mixtures containing alcohol as an ingredient.

Company Property - the plant, parking lot, vehicles or machinery owned by the Company and all other property owned, leased, or occupied by the Company.

Confirmatory Test and Confirmatory Retest - a drug or alcohol test that uses a method of analysis that is reliable for providing specific data as to the drugs, alcohol, or their metabolites detected in an initial screening test and that meets with the requirements of applicable state laws and/or regulations.

Drug - a controlled substance, including, but not necessarily limited to, the following: amphetamines, cocaine, marijuana, opiates, or phencyclidine (PCP), or their metabolites. The terms “drug” and “controlled substance” are used interchangeably throughout this Policy.

Drug and Alcohol Testing - “drug or alcohol testing” and “drug or alcohol test” mean analysis of a body component sample for the purpose of measuring the presence or absence of drugs, alcohol, or their metabolites in the sample tested.

Employee - for purposes of this Drug and Alcohol Testing Policy only, an “employee” is any person, independent contractor, or person working for an independent contractor who performs services for compensation, in whatever form, for the Company.

Initial Screening Test - a drug or alcohol test that uses a method of analysis that is capable of providing data as to general classes of drugs, alcohol, or their metabolites and that meets with the requirements of applicable state law and/or regulations.

Job Applicant - a person, independent contractor, or person working for an independent contractor who applies to become an employee of the Company and who has received a job offer made contingent on passing a drug test.

Positive Test Result - a finding of the presence of drugs, alcohol, or their metabolites in the sample tested in levels at or above the threshold detection levels set by applicable state law or regulations.

Reasonable Suspicion - a basis for forming a belief based on specific facts and rational inferences drawn from those facts.

Individuals Subject To Testing and Circumstances Under Which Testing May Be Required

A pre-employment drug test will be administered to all job applicants who have been given an offer of employment by the Company conditioned on the applicant receiving a negative drug test result. Employees will be subject to reasonable suspicion testing and treatment program testing. In accordance with the Department of Transportation's (DOT) guidelines, additional drug testing provisions apply to individuals who are CDL Drivers. For more information on the CDL Drivers drug testing policy please see Human Resources.

Refusal To Submit To Testing

1. Before requesting a job applicant to undergo drug testing, the Company will ask the job applicant to complete a form on which the job applicant acknowledges that he or she has seen and read this Policy. A job applicant may refuse to submit to a drug test that the Company has requested pursuant to this Policy. Upon such refusal, the Company will withdraw its offer of employment to the job applicant.
2. Before requesting an employee to undergo drug and/or alcohol testing, the Company will ask the employee to complete a form whereby the employee acknowledges that he or she has seen and read this Policy. Employees may refuse testing. Employees who refuse to be tested may be disciplined up to and including discharge from employment.
3. In addition to verbally refusing to undergo testing, an employee or job applicant is considered to have refused testing if he or she:
 - a. Fails to provide an adequate sample (whether urine or other), without a genuine inability to do so, as determined by a medical evaluation;
 - b. Engages in conduct that obstructs the testing, including alteration or sabotage of such test;
 - c. Refuses to sign a drug or alcohol testing form provided by the Company or a designated laboratory;
 - d. Does not make himself/herself readily available for testing following an accident, as defined in "Required Testing Section". However, nothing in this Policy shall be construed to require the delay of necessary medical attention for injured persons following an accident or to prohibit an employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

Required Testing

1. Pre-Employment/Post-Offer Testing

All job applicants will be tested for the presence of drugs. Prior to conducting such testing, an applicant will be offered employment, contingent on the passing of such drug test. In this situation, candidates will be required to sign the Pre-Employment Drug & Alcohol Testing Applicant Release Agreement.

2. Reasonable Suspicion Testing

The Company may require any employee to undergo drug and alcohol testing if the Company has a reasonable suspicion that an employee:

- a. Is under the influence of any illegal drug and/or the misuse of legal drugs or alcohol as determined by at least two managers who have directly observed an employee's behavior and suspect that an employee is under the influence of drugs or alcohol.
- b. Where a reasonable suspicion exists that an employee is under the influence of drugs or alcohol, the employee will be escorted to the medical clinic by a representative of the Company;
- c. Has violated the Company's work rules concerning the use of alcohol or drugs; Has sustained a personal injury or has caused another employee to sustain a personal injury; or
- d. Has caused a work related accident or was operating or helped to operate machinery, equipment, or a vehicle involved in a work related accident.
- e. In this situation, the employee will be required to sign the Drug & Alcohol Testing Employee Release Agreement.

3. Treatment Program Testing

The Company may require an employee to undergo drug and/or alcohol testing if that employee has been referred by the Company for chemical dependency treatment or evaluation or is participating in a chemical dependency treatment program under an employee benefit plan. Under such circumstances, the employee may be required to undergo drug and/or alcohol testing at any time, without prior notice, during the evaluation or treatment period and for a period of up to two (2) years following completion of the treatment, evaluation, or program. In this situation the employee will be required to sign the Drug Testing Agreement.

Consequences of a Positive Test

1. Where an applicant's confirmatory drug test is positive and where the job applicant either does not obtain a confirmatory retest or the confirmatory retest is positive, the contingent employment offer to a job applicant will be withdrawn and the individual will not be hired.
2. If an employee receives a positive test result on a confirmatory test and/or a confirmatory retest, and that result is the first such positive result for the employee on a drug or alcohol test requested by the Company, the employee may be given an opportunity to participate in either a drug or alcohol counseling or rehabilitation program. The Company will consult with a certified chemical use counsel or a physician trained in the diagnosis and treatment of chemical dependency to determine what type of program is appropriate. The employee may participate in the program pursuant to coverage under the Company's employee benefit plan (to the extent that the employee is eligible for such benefits). If the employee successfully completes the program, the employee will be returned to work with the Company. Refusal to participate in the counseling or rehabilitation program, withdrawal from the program before its completion, or a positive test result on a

confirmatory test after completion of the program, will result in discipline up to and including immediate termination.

3. If an employee receives a positive test result on a confirmatory test and/or confirmatory retest, and that result is the second such positive test result for the employee on a drug or alcohol test requested by the Company, the employee may be subject to immediate termination.
4. An employee or job applicant may appeal an adverse employment decision based upon a positive drug and/or alcohol test by delivering a written appeal to the President and CEO within five (5) business days following the employee's or job applicant's receipt of notice of the adverse decision. The decision of the President and CEO in the matter will be final.
5. An employee or job applicant may request in writing from the Company a copy of the test results report on any drug or alcohol test taken by that employee or job applicant.

Work Rule on Alcohol

The possession, use, sale, transfer, or dispensation of alcoholic beverages on Company or Customer property or job sites is prohibited (except in moderation at a Company-authorized social function). Furthermore, an employee is not permitted to report to work or operate Company vehicles, machinery, or equipment while under the influence of alcoholic beverages, as determined by the Company. An employee will be considered to be "under the influence" when consumption of any alcoholic beverage has impaired or is likely to impair the employee's job performance in the judgment of a Company supervisor. Employees who violate this work rule are subject to disciplinary action up to and including discharge.

Work Rule on Drugs

The possession, manufacture, use, sale, transfer, or dispensation of controlled substances (including, but not necessarily limited to amphetamines, cocaine, marijuana, opiates, or phencyclidine (PCP) or the improper use of other drugs during working hours or on Company or Customer property and job sites is prohibited. An employee is not permitted to report to work or operate Company vehicles, machinery, or equipment while under the influence of any illegal drug and/or the misuse of legal drug or controlled substance that could adversely affect performance in the judgment of a Company supervisor. Employees who violate this work rule are subject to disciplinary action up to and including discharge.

Employees who are under a physician's care and who are taking prescribed substances that could affect performance should report this information to their supervisors. This information is important to the Company in ensuring that safety and efficiency are maintained. Employees failing to make such a report and whose performance is adversely affected by their taking prescribed controlled substances shall be subject to disciplinary action up to and including discharge.

Medical Marijuana and other Legally Prescribed Medicine

Employees or applicants will be provided the opportunity to provide medical documentation of legally prescribed medication, medical marijuana recommendation, or exposure to toxic substances which may explain a positive test result to the medical review officer (MRO) in his or her determination of the validity of a positive test result. The employee is required to provide the requested documentation within the timeframe provided by the MRO.

For Luckey Farmers employees, medical marijuana is a prohibited substance. Also, a medical prescription for a controlled substance may be considered a safety concern/risk which would prevent the performance of safety sensitive duties required for their position and will be handled on a job specific case-by-case basis.

Confidentiality

All information acquired in the testing process is confidential information, which will not be disclosed to another employer, or third-party individual, governmental agency or private organization without the written consent of the job applicant, with the following exceptions:

(1) evidence of a positive test result on a confirmatory test or confirmatory retest may be used in an administrative hearing, judicial proceeding, or arbitration, where the test result is

relevant to the proceeding; and (2) evidence of a positive test result on a confirmatory test or a confirmatory retest may be disclosed to any federal agency or United States government unit as required under federal law, regulation or order, or in accordance with a federal government contract.

Effect of Alcohol & Drug Free Workplace Policy

None of the provisions of this Policy is to be regarded as a contract between Luckey Farmers and any of the Company's employees or job applicants. Any actions taken pursuant to this Policy are in the Company's complete discretion and the Company shall have complete and final discretion concerning all interpretations of the Policy and any action, including withdrawal of its conditional offer, which the Company chooses to impose on its job applicants. Nothing in this Policy constitutes a modification or limitation on the Company's right to refuse to hire any job applicant.

Questions

Please direct any questions regarding this Policy to Human Resources or the Safety Officer.

Categories of Employment

All employees are designated as either nonexempt or exempt under state and federal wage and hour laws. The following is intended to help employees understand employment classifications and employees' employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. The right to terminate the employment-at-will relationship at any time is retained by both the employee and Luckey Farmers, Inc.

Nonexempt employees are employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the law's requirements concerning minimum wage and overtime.

Exempt employees are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor.

Luckey Farmers, Inc. has established the following categories for both nonexempt and exempt employees:

- **Regular, full time:** Employees who are not in a temporary status and who are regularly scheduled to work the company's full-time schedule of 30 hours per week. Generally, these employees are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefits program.
- **Regular, part time:** Employees who are not in a temporary status and who are regularly scheduled to work less than the full-time schedule but at least 20 hours each week. Regular, part-time employees are eligible for some of the benefits offered by the company subject to the terms, conditions and limitations of each benefits program.
- **Temporary, full time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.
- **Temporary, part time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work less than the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Temporary workers are not eligible for company benefits unless specifically stated otherwise in company policy or are deemed eligible according to plan documents.

Attendance

Luckey Farmers expects all employees to conduct themselves in a professional manner during their employment. This includes practicing good attendance habits. All employees should regard coming to work on time, working as scheduled and leaving at the scheduled time as essential functions of their jobs, i.e., good attendance habits are an integral part of every employee's job description.

Giving Notice of Absence or Tardiness

Under some circumstances, an employee's absence or tardiness may be excused, but only if that employee gives proper notice of such a problem before the start of the workday. Luckey Farmers needs advance notice of attendance problems so that other arrangements can be made to cover an employee's absence if necessary. "Proper notice" means that the employee will call their Supervisor and/or Human Resources prior to the start of the workday and personally notify them about the problem, unless a verifiable emergency makes it impossible to do so.

It is not sufficient to call in and leave a message with a co-worker or someone else who is not in a supervisory position. Office staff has been instructed to route all such calls to supervisory personnel. If you fail to give proper notice of attendance problems in advance as explained in this policy, you may be subject to disciplinary action, up to and possibly including discharge.

Job Abandonment

An absence of three days in a row without calling in or returning to work will be considered job abandonment, and Luckey Farmers, Inc. will process your work separation as a voluntary resignation on your part.

Work Scheduling and Overtime

Non-Exempt employees are not permitted to work more than 40 hours during a workweek unless the additional work is ordered and approved in advance by the supervisor. Seasonal Saturday and weekend work is mandatory with Branch Managers to announce weekend hours as early as feasible. Employees are encouraged to anticipate the seasonal hours and schedule their activities and time accordingly. When required, overtime is mandatory and is a condition of your employment.

Hourly employees who perform overtime work will be paid one-and-one-half times their regular rate of pay for every hour worked over 40 hours in a seven-day workweek. Overtime pay is based only on hours actually worked. Holidays, PTO days, jury duty, and other hours paid but not worked are not considered when calculating overtime.

Recording Hours Worked

All employees are required to complete daily timecards indicating all hours worked. Timecards must be turned in to your supervisor by Monday morning. PTO days, holidays, and absences such as jury duty and funeral, must be specifically noted on the timecards for days on which they occur. Timecards that are not correctly filled out will be returned for correction.

Meal & Rest Breaks

Salaried exempt employees:

Exempt employees are permitted a 60-minute meal period. The schedule for all meals is determined by the department supervisor based on business conditions and scheduling needs. Your supervisor will inform you of the schedule, and any required changes. Please be

considerate of your fellow employees and observe the schedule.

Hourly non-exempt employees:

Non-exempt full-time employees are required to take a total of sixty minutes of unpaid meal and rest break time each workday.

Generally, a 15-minute break is taken in the morning, a half-hour lunch break is taken mid-day and a 15-minute break is taken in the afternoon. During busy season or on an unusually busy workday during the off-season it is permitted for an employee to skip their morning or afternoon break with the permission of their supervisor. Missed breaktime should be made up during the lunch period resulting in a 45-minute or a 60-minute lunch period that same day or the following day. Break time that is not made up that could result in overtime must always be approved in advance by your supervisor and properly recorded in your time. Unauthorized overtime could result in disciplinary action.

Inclement Weather

Luckey Farmers, Inc. will make every effort to maintain normal work hours even during inclement weather.

Level 3 Snow Emergency

If the branch/location is in a county that has been declared a level 3 snow emergency, the branch/location will be closed until the level 3 has lifted. Employees at that location will be paid accordingly and their PTO will not be affected. Once the level 3 has been lifted, employees will be expected to report to work within an hour from the time the level 3 was lifted, unless notified by their manager.

If an employee lives in a county where a level 3 snow emergency has been declared, the employee should notify their manager immediately. The employee will be paid accordingly, and their PTO will not be affected. Once the level 3 has been lifted, employees will be expected to report to work within an hour from the time the level 3 was lifted, unless notified by their manager.

Other Inclement Weather Situations

In any instance when an employee feels unsafe driving to work due to the weather conditions, the employee may choose to remain at home. The employee should contact his/her supervisor before 8:30 a.m. on the day in question and inform them of their decision not to report to work and the reasons for that decision.

When an employee does not report for work due to inclement weather, the day off from work will be considered as an unpaid excused absence. Employees may substitute a PTO day in order to avoid loss of pay.

If non-exempt employee reports to work for part of the day, the time off will be considered excused, and they will be paid for the hours worked. If an exempt employee

reports to work for any part of the day, the time off will be considered excused and, by law, they will be paid for the complete day of work.

On days when weather conditions worsen as the day progresses, the President and CEO may decide to close early. In such cases, a decision and an announcement will be made. Employees will be expected to remain at work until the appointed closing time, unless they receive permission from the President and CEO to do otherwise.

Employees with the ability to telecommute may work from home if they should so choose on days when weather does not permit them to enter the office.

Travel Policy

Objective

Some nonexempt positions within Luckey Farmers may require some travel. The purpose of this policy is to state the pay rules that apply to nonexempt employees when traveling on company business.

Employees in positions classified as nonexempt under the Fair Labor Standards Act are eligible for compensation for the time they spend traveling.

Travel Time Defined

“Travel time” is defined as an employee traveling to a location, such as a hotel or the worksite.

Travel between home and work or between the hotel and worksite is considered normal commuting time and is not eligible for compensation.

Travel Time

Any portion of authorized travel time that takes place is treated as work hours. Travel time will be paid at the employee’s regular hourly rate and will be factored into overtime calculations.

Calculating and Reporting Travel Time

Employees are responsible for accurately tracking, calculating and reporting travel time on their timesheets in accordance with this policy.

Meal periods should be deducted from all travel time.

Travel time should be calculated by rounding up to the nearest quarter hour.

Personnel Files

Employee personnel files are confidential and are the property of Luckey Farmers, Inc. Access to the information contained within the files is restricted to qualified personnel who have a legitimate need to view the information. However, with reasonable advance notice, employees may review their personnel file. Employees who wish to review their own file should contact their supervisor or the Human Resources Department.

Pay Policies

Pay Periods

Employees are paid on a bi-weekly basis with direct deposit stubs mailed to your home address. Pay periods start on Sunday and ends on Saturday.

Pay Deductions

It is our policy to comply with the salary basis requirements of the FLSA and all other aspects of Wage & Hour regulations. Therefore, we prohibit all company managers from making any improper deductions from the salaries of exempt employees or from the wages of non-exempt employees. We want employees to be aware of this policy and that the company does not allow deductions that violate the FLSA or any other Wage & Hour regulation.

If you believe that an improper deduction has been made to your salary or your hourly wages, you should immediately report this information to your direct supervisor, or to our human resources department. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made.

Luckey Farmers, Inc. is required by law to make certain deductions from your paycheck each pay period. Such deductions typically include federal and state taxes and Social Security (FICA) taxes. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each year for you on your Form W-2, Wage and Tax Statement.

Overtime

Non-exempt employees who perform overtime work will be paid one-and-one-half times their regular rate of pay for every hour worked over 40 hours in a seven-day workweek. Overtime pay is based only on hours actually worked. Holidays, PTO leave, jury duty, and other hours paid but not worked are not considered when calculating overtime.

Performance Evaluations

Employees will have their job performance reviewed on an annual basis, usually in March. The performance evaluation interview is an opportunity for an employee and supervisor to establish mutual understanding of job standards and identify employee development objectives. Raises are not guaranteed, but are at management's

discretion and based upon a variety of factors such as management's assessment of job performance as well as adverse economic or financial conditions.

Leave of Absence and Time Off

Luckey Farmers, Inc. is committed to assisting employees, in response to individual family situations, with the opportunity of leaves of absence. All regular full-time employees are eligible for paid or non-paid leave of absence after completing a minimum of 90 days of continuous employment with Luckey Farmers, Inc. Where the need for leave is foreseeable, requests for leave of absence along with supporting documentation should be submitted in advance for approval to the Human Resources Department.

Personal Leave

Personal leave without pay for emergencies or personal needs will be considered for employees on an individual basis. Employees must use all earned unused PTO time before an unpaid personal leave is authorized. If a personal leave of absence is granted, it is done so solely at the discretion of management. A personal leave of a week up to thirty (30) days may be granted, unless required otherwise by FMLA.

Personal Time Off (PTO)

Luckey Farmers, Inc. believes that its employees are the key to what makes a great company. Although work makes up a large portion of an employee's life, we believe that a balance between work and nonwork activities is essential to maintain quality performance and a positive work atmosphere. To support this philosophy, the company has designed a paid time off (PTO) plan that incorporates vacation, personal, and sick leave into one program. PTO begins to accrue after 90-days of full-time employment.

Accrual Rate

All full-time employees will accrue PTO hours according to the following schedule:

<u>Years of Service</u>	<u>Hours per Pay Period</u>	<u>Hours per Year</u>
0-1 year	1.54 hours	40 hours
1-3 years	3.69 hours	96 hours
3-8 years	5.23 hours	136 hours
8-15 years	6.76 hours	176 hours
16+ years	7.69 hours	200 hours

For purposes of this policy, the year begins on the employee's date of hire.

PTO is designed to cover leave for vacation, personal sickness, family sickness, family activities and extra holiday time.

In general, foreseeable PTO must be preapproved by and prescheduled with the employee's supervisor and can be taken in quarter-hour (15 minute) increments. Approval for all scheduled time away is subject to applicable workloads. In cases of emergency, however, employees shall be allowed to take up to unscheduled PTO with less than 24 hours' notice and regardless of applicable workload.

A maximum of 80 hours of accrued PTO time may be carried over from one calendar year to the next.

In the event an employee needs time away from work prior to accruing the necessary PTO hours, an employee may build up a negative balance with the prior approval of his or her supervisor.

PTO Pay

Personal Time-Off will be paid at the employees' regular wage rate to actively employed eligible individuals. PTO will not count as hours worked for purposes of overtime.

Employees will be paid for all earned and unused PTO time upon termination of employment.

Final paychecks for nonexempt employees will include deductions for repayment of any negative PTO balance upon termination.

Family Medical Leave Act (FMLA) Policy

Luckey Farmers will comply with the Family and Medical Leave Act (FMLA) implementing Regulations as revised effective March 8, 2013. The company posts the mandatory FMLA Notice and upon hire provides all new employees with notices required by the U.S. Department of Labor (DOL) on *Employee Rights and Responsibilities under the Family and Medical Act* in the employee break room or posting area where other labor posters are found.

The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law.

If you have any questions, concerns, or disputes with this policy, you must contact Human Resources Manager in writing.

General Provisions

Under this policy, Luckey Farmers will grant up to 12 weeks (or up to 26 weeks of

military caregiver leave to care for a covered servicemember or covered veteran with a serious injury or illness) during a 12-month period to eligible employees. The leave may be paid, unpaid or a combination of paid and unpaid leave, depending on the circumstances of the leave and as specified in this policy.

Eligibility

To qualify to take family or medical leave under this policy, the employee must meet all of the following conditions:

- 1) The employee must have worked for the company for 12 months or 52 weeks. The 12 months or 52 weeks need not have been consecutive. Separate periods of employment will be counted, provided that the break in service does not exceed seven years. Separate periods of employment will be counted if the break in service exceeds seven years due to National Guard or Reserve military service obligations or when there is a written agreement, including a collective bargaining agreement, stating the employer's intention to rehire the employee after the service break. For eligibility purposes, an employee will be considered to have been employed for an entire week even if the employee was on the payroll for only part of a week or if the employee is on leave during the week.

- 2) The employee must have worked at least 1,250 hours during the 12-month period immediately before the date when the leave is requested to commence. The principles established under the Fair Labor Standards Act (FLSA) determine the number of hours worked by an employee. The FLSA does not include time spent on paid or unpaid leave as hours worked. Consequently, these hours of leave should not be counted in determining the 1,250 hours eligibility test for an employee under FMLA.

- 3) The employee must work in a worksite where 50 or more employees are employed by the company within 75 miles of that office or worksite. The distance is to be calculated by using available transportation by the most direct route.

Type of Leave Covered

To qualify as FMLA leave under this policy, the employee must be taking leave for one of the reasons listed below:

- § **The birth of a child and in order to care for that child.**
- § **The placement of a child for adoption or foster care and to care for the newly placed child.**
- § **To care for a spouse, child or parent with a serious health condition (described below).**
- § **The serious health condition (described below) of the employee.**

An eligible employee may take leave because of a serious health condition that makes the employee unable to perform the functions of the employee's position.

A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or a condition that requires continuing care by a licensed health care provider.

This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three consecutive days of incapacity with the first visit to the health care provider within seven days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year.

Employees with questions about what illnesses are covered under this FMLA policy or under the company's sick leave policy are encouraged to consult with the Human Resources Manager.

If an employee takes paid sick leave for a condition that progresses into a serious health condition and the employee requests unpaid leave as provided under this policy, the company may designate all or some portion of related leave taken as leave under this policy, to the extent that the earlier leave meets the necessary qualifications.

5) Qualifying exigency leave for families of members of the National Guard and Reserves when the covered military member is on active duty or called to active duty in support of a contingency operation.

An eligible employee whose spouse, son, daughter or parent either has been notified of an impending call or order to active military duty or who is already on active duty may take up to 12 weeks of leave for reasons related to or affected by the family member's call-up or service. The qualifying exigency must be one of the following: 1) short-notice deployment, 2) military events and activities, 3) childcare and school activities, 4) financial and legal arrangements, 5) counseling, 6) rest and recuperation, 7) post-deployment activities and 8) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.

The leave may commence as soon as the individual receives the call-up notice. (Son or daughter for this type of FMLA leave is defined the same as for child for other types of FMLA leave except that the person does not have to be a minor.) This type of leave would be counted toward the employee's 12-week maximum of FMLA leave in a 12-month period.

6) Military caregiver leave (also known as covered servicemember leave) to care for an ill or injured servicemember.

This leave may extend to up to 26 weeks in a single 12-month period for an eligible employee to care for a spouse, son, daughter, parent or next of kin covered servicemember or covered veteran with a serious illness or injury incurred in the line of duty on active duty. Next of kin is defined as the closest blood relative of the injured or recovering servicemember.

Amount of Leave

An eligible employee can take up to 12 weeks for the FMLA circumstances (1) through (5) above under this policy during any 12-month period. The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses any leave under this policy. Each time an employee takes leave, the company will compute the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the 12 weeks of available leave, and the balance remaining is the amount the employee is entitled to take at that time.

An eligible employee can take up to 26 weeks for the FMLA circumstance (6) above (military caregiver leave) during a single 12-month period. For this military caregiver

leave, the company will measure the 12-month period as a rolling 12-month period measured forward. FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

If a husband and wife both work for the company and each wish to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. If a husband and wife both work for the company and each wish to take leave to care for a covered injured or ill servicemember, the husband and wife may only take a combined total of 26 weeks of leave.

Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide verbal or written notice of the need for the leave to the Human Resources Manager of Luckey Farmers. Within five business days after the employee has provided this notice, the Human Resources Manager will complete and provide the employee with the DOL Notice of Eligibility and Rights. When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with the company's usual and customary notice and procedural requirements for requesting leave, absent unusual circumstances.

Designation of FMLA Leave

Within five business days after the employee has submitted the appropriate certification form, the Human Resources Manager will complete and provide the employee with a written response to the employee's request for FMLA leave using the DOL Designation Notice.

Certification for the Employee's Serious Health Condition

Luckey Farmers will require certification for the employee's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay.

Failure to provide certification may result in a denial of continuation of leave. Medical certification will be provided using the DOL Certification of Health Care Provider for Employee's Serious Health Condition.

Luckey Farmers may directly contact the employee's health care provider for verification or clarification purposes using a health care professional, an HR professional, leave administrator or management official. Luckey Farmers will not use the employee's direct supervisor for this contact. Before the company makes this direct contact with the health care provider, the employee will be given an

opportunity to resolve any deficiencies in the medical certification. In compliance with HIPAA Medical Privacy Rules, the company will obtain the employee's permission for clarification of individually identifiable health information.

Luckey Farmers has the right to ask for a second opinion if it has reason to doubt the certification. Luckey Farmers will pay for the employee to get a certification from a second doctor, which the company will select.

Luckey Farmers may deny FMLA leave to an employee who refuses to release relevant medical records to the health care provider designated to provide a second or third opinion. If necessary to resolve a conflict between the original certification and the second opinion, Luckey Farmers will require the opinion of a third doctor. Luckey Farmers and the employee will mutually select the third doctor, and Luckey Farmers will pay for the opinion. This third opinion will be considered final. The employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion.

Certification for the Family Member's Serious Health Condition

Luckey Farmers will require certification for the family member's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. Medical certification will be provided using the DOL Certification of Health Care Provider for Family Member's Serious Health Condition.

Luckey Farmers may directly contact the employee's family member's health care provider for verification or clarification purposes using a health care professional, an HR professional, leave administrator or management official. Luckey Farmers will not use the employee's direct supervisor for this contact. Luckey Farmers makes this direct contact with the health care provider, the employee will be given an opportunity to resolve any deficiencies in the medical certification.

In compliance with HIPAA Medical Privacy Rules, Luckey Farmers will obtain the employee's family member's permission for clarification of individually identifiable health information.

Luckey Farmers has the right to ask for a second opinion if it has reason to doubt the certification. Luckey Farmers will pay for the employee's family member to get a certification from a second doctor, which Luckey Farmers will select. Luckey Farmers may deny FMLA leave to an employee whose family member refuses to release relevant medical records to the health care provider designated to provide a second or third opinion. If necessary to resolve a conflict between the original certification and the second opinion, Luckey Farmers will require the opinion of a third doctor. Luckey Farmers and the employee will mutually select the third doctor, and Luckey Farmers will pay for the opinion. This third opinion will be considered final. The employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion.

Certification of Qualifying Exigency for Military Family Leave

Luckey Farmers will require certification of the qualifying exigency for military family leave. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. This certification will be provided using the DOL Certification of Qualifying Exigency for Military Family Leave.

Certification for Serious Injury or Illness of Covered Servicemember for Military Family Leave

Luckey Farmers will require certification for the serious injury or illness of the covered servicemember or covered veteran. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. This certification will be provided using the DOL Certification for Serious Injury or Illness of Covered Servicemember or the DOL Certification for Serious Injury or Illness of a Veteran for Military Caregiver Leave.

Luckey Farmers may request recertification for the serious health condition of the employee or the employee's family member no more frequently than every 30 days and only when circumstances have changed significantly, or if the employee receives information casting doubt on the reason given for the absence, or if the employee seeks an extension of his or her leave. Otherwise, Luckey Farmers may request recertification for the serious health condition of the employee or the employee's family member every six months in connection with an FMLA absence. Luckey Farmers may provide the employee's health care provider with the employee's attendance records and ask whether need for leave is consistent with the employee's serious health condition.

Intermittent Leave or A Reduced Work Schedule

The employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year) or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced hour schedule. In all cases, the leave may not exceed a total of 12 workweeks (or 26 workweeks to care for an injured or ill servicemember or veteran over a 12-month period).

Luckey Farmers may temporarily transfer an employee to an available alternative position with equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule, in instances of when leave for the employee or employee's family member is foreseeable and for planned medical treatment, including recovery from a serious health condition or to care for a child after birth, or placement for adoption or foster care.

For the birth, adoption or foster care of a child, the company and the employee must mutually agree to the schedule before the employee may take the leave intermittently or work a reduced hour schedule. Leave for birth, adoption or foster care of a child must be taken within one year of the birth or placement of the child.

If the employee is taking leave for a serious health condition or because of the serious health condition of a family member, the employee should try to reach agreement with Luckey Farmers before taking intermittent leave or working a reduced hour schedule. If this is not possible, then the employee must prove that the use of the leave is medically necessary.

Use of PTO and Unpaid Leave

An employee who is taking FMLA leave because of the employee's own serious health condition, or the serious health condition of a family member must use all PTO prior to being eligible for unpaid leave. Disability leave for the birth of the child and for an employee's serious health condition, including workers' compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with FMLA. An employee who is taking leave for the adoption or foster care of a child must use all PTO prior to being eligible for unpaid leave.

An employee who is using military FMLA leave for a qualifying exigency must use all PTO prior to being eligible for unpaid leave. An employee using FMLA military caregiver leave must also use all PTO (as long as the reason for the absence is covered by the company's sick leave policy) prior to being eligible for unpaid leave.

Employee Status and Benefits During Leave

While an employee is on leave, the company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

If the employee chooses not to return to work for reasons other than a continued serious health condition of the employee or the employee's family member or a circumstance beyond the employee's control, Luckey Farmers will require the employee to reimburse the company the amount it paid for the employee's health insurance premium during the leave period.

Under current company policy, the employee pays a portion of the health care premium. While on paid leave, Luckey Farmers will continue to make payroll deductions to collect the employee's share of the premium.

While on unpaid leave, the employee must continue to make this payment, either in person or by mail. The payment must be received by the Human Resources Manager by the fifteenth (15th) day of each month. If the payment is more than 30 days late, the employee's health care coverage may be dropped for the duration of the leave. Luckey Farmers will provide 15 days' notification prior to the employee's loss of coverage.

Employee Status after Leave

An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from the health care provider. This requirement will be included in Luckey Farmers' response to the FMLA request. Generally, an employee who takes FMLA leave will be able to return to the same position or a position with equivalent status, pay, benefits and other employment terms. The position will be the same or one which is virtually identical in terms of pay, benefits and working conditions. Luckey Farmers may choose to exempt certain key employees from this requirement and not return them to the same or similar position.

Intent to Return to Work from FMLA Leave

On a basis that does not discriminate against employees on FMLA leave, Luckey Farmers may require an employee on FMLA leave to report periodically on the employee's status and intent to return to work.

Maternity Leave

Luckey Farmers offers 320 hours of paid maternity leave, with the first 80 hours coming out of the employees' PTO balance.

Bereavement Leave

An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor immediately.

Bereavement leave will be granted unless there are unusual business needs or staffing requirements.

- Employees are allowed five days of paid leave in the event of the death of the employee's spouse, child, father, mother, brother, sister, stepfather, stepmother, stepbrother, stepsister, stepson or stepdaughter.
- Employees are allowed three days of paid leave in the event of death of the employee's father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, aunt, uncle, grandparent, grandchild or spouse's grandparent.
- Employees are allowed up to four hours of bereavement leave to attend the funeral of an employee or retiree of the company.

Holidays

Luckey Farmers, Inc. offers seven paid holidays each year to eligible employees:

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving
- Christmas
- Good Friday can be used as a floating holiday

When a holiday falls on a weekend, Luckey Farmers, Inc. will designate either the Friday preceding or Monday following as the observed holiday.

If it is deemed necessary by the management to work on a holiday, employees will be paid time and a half for the hours worked & 8 hours of holiday pay, with the exception of Exempt Employees.

Jury Duty

Employees who are called for jury duty will be granted time off and will receive the difference between your regular wages and the sum received for your services to perform your civic duty. Notify your supervisor as soon as possible, if you receive a jury duty summons. If chosen to sit on a jury, immediately inform your supervisor how long the trial is expected to last. Thereafter, you are required to regularly check-in with your supervisor to keep the Company updated as to the expected date of your return to work.

Military Leave

Luckey Farmers, Inc., will grant employees called into military service an unpaid leave of absence and reemployment rights as required by state and federal law. Employees on military leave may, at their option, use any or all accrued paid vacation or personal leave during their absence but there is no requirement to do so. Employees should refer to the Uniformed Services Employment and Re-Employment Rights Act (USERRA) poster displayed where other labor posters are found. For more details on your rights under USERRA please see the Human Resource Department.

Insurance and Benefits

As part of our ongoing commitment to our employees and their well-being, we provide employees the opportunity to participate in a variety of benefit plans. The benefits listed in this handbook are meant to be a general description only. Complete details are provided in the official plan documents for each of the benefit plans that we offer. Luckey Farmers, Inc. reserves the right to modify or eliminate benefits, in whole or in part, without notice. Contact the Human Resources Department for details about any of these benefits.

Eligibility

All regular full-time employees are eligible for benefits after completing a minimum of 30 days of continuous employment with Luckey Farmers, Inc. Full-time employees are defined as those employees who are hired to work on a regular basis for 30 or more hours a week.

Health Insurance

Luckey Farmers, Inc., provides regular full-time employees with group health insurance coverage.

You have up to 30 days from your employment date to make your medical plan election. Once made, your election is generally fixed for the remainder of the plan year. However, if you undergo a change in family status (as defined in the Plan document), you may make a mid-year change in coverage (i.e., you may change from individual to family or from family to individual, add or delete dependents, or revoke coverage), provided you do so within 30 days from the date of the change in family status, in a manner which will not entitle you to make a mid-year change from one medical carrier to another. Please contact the Human Resources Department to determine if a family status change qualifies under the Plan document and IRS regulations.

Dental Insurance

Luckey Farmers, Inc. provides regular full-time employees with group dental insurance. You are eligible to enroll in the dental insurance after completing 30 days of continuous employment with Luckey Farmers, Inc.

Vision Insurance

Luckey Farmers, Inc. provides regular full-time employees with group vision insurance. You are eligible to enroll in the vision insurance after completing 30 days of continuous employment with Luckey Farmers, Inc.

Life Insurance

Luckey Farmers, Inc. offers regular full-time employees, who have been employed for 30 days, an employer-paid basic group life insurance policy along with an accidental death and dismemberment policy valued at \$50,000. Life insurance benefits will reduce as follows:

- 35% reduction at age 65
- 50% reduction at age 70

COBRA (Consolidated Omnibus Budget Reconciliation Act)

It is the policy of this company that with regards to our group health plan (the Plan):

Initial Notice

1. We will distribute a copy of information on general COBRA rights, as well as a notice of COBRA premium reduction rights during benefit enrollment orientation to:
 - a. New employees;
 - b. If the Plan offers dependent or family coverage, mailed to the employee's spouse (if any);
 - c. New plan participants enrolled during a special enrollment period including employees, newly covered spouses and dependents.
2. This will be done no later than 90 days from when the employee, spouse or dependent becomes eligible for coverage.

Election of COBRA notice and form

3. COBRA continuation coverage will be offered to any employee or their dependents when any of the following 'qualifying events' occur:
 - a. End of employment (other than for gross misconduct)
 - b. Reduction in hours of employment
 - c. Death of the employee
 - d. Divorce or legal separation
 - e. The employee becomes disabled and is unable to work for six consecutive months
 - f. Loss of dependent child status
4. We will send notice of COBRA election rights in a timely manner.
 - a. When a qualifying event occurs, we will notify the COBRA administrator within 30 days of the event.
 - b. We will require our COBRA administrator to send the notice of COBRA rights and an election form within 14 days of being notified of the qualifying event.

5. We will notify all appropriate parties (qualified beneficiaries) of their COBRA election rights. These includes:
 - a. The employee
 - b. Their spouse or former spouse
 - c. Dependent children covered under the Plan on the day before the event that caused the loss of coverage
 - d. A child who is losing coverage under the Plan because he or she is no longer a dependent under the Plan
6. The COBRA election rights notice will include a detailed description, a summary page, an election form, information and an application form. This package will be mailed to all qualified beneficiaries (not just the employee or former employee). If all qualified beneficiaries reside at the same address we may send a single package to that address.
7. The election notice will clearly state how much COBRA coverage will cost for each qualified beneficiary. We charge an administrative fee of 2% over the normal premium amount.

Notices that a qualified beneficiary must provide to us

8. It is the employee's responsibility to notify us within 60 days if any of the following events occur which may change or extend their COBRA status:
 - a. Divorce or legal separation
 - b. A covered dependent child ceasing to qualify as eligible
 - c. Notice of a second qualifying event
 - d. The qualified beneficiary becomes entitled to Social Security disability benefits
 - e. The qualified beneficiary's Social Security disability benefits have terminated
9. We may require this notice to be in writing, but if so, this must be specified in our plan's Summary Plan Description (SPD) that is given to each employee during benefits enrollment. Otherwise, we will accept either a written or a verbal notice.

Payment for COBRA

10. Payment for the first month of COBRA is due 45 days after a given qualified beneficiary chooses to elect COBRA.
11. Other than the first payment, payments for COBRA are due on the first day of each month (or other date), as outlined in the COBRA election rights notice.
12. Other than the first payment, a 30-day grace period will be allowed for receipt of any COBRA payment (that is, timely payment means that we receive the payment at any time within 30 days of when payment is initially due).
13. We will not send periodic notices of payments due.

Notice that COBRA is being terminated

14. When the qualified beneficiary's COBRA reduced premium has ended, the COBRA Administrator will send them a written notice of the termination, and (if appropriate) their rights to continue COBRA without the reduced premiums. These reasons include:
 - a. The beneficiary has reached eligibility for Medicare benefits
 - b. The company has ceased offering group health benefits
 - c. The beneficiary has become covered under another health plan
15. When the qualified beneficiary's COBRA is terminated for any reason, COBRA Administrator will send them a written notice of the termination. These reasons include:
 - a. The end of the maximum COBRA benefits period has been reached
 - b. The COBRA Administrator has not received payment in a timely manner
 - c. The beneficiary has reached eligibility for Medicare benefits
 - d. The company has ceased offering group health benefits
 - e. The beneficiary has become covered under another health plan
 - f. A change occurred in the beneficiary's disability status
 - g. The beneficiary has requested to be removed from COBRA
16. The COBRA Administrator will send this termination notice to each qualified beneficiary in a timely manner. The Health care provider will send HIPAA Certificate of Creditable Coverage

Luckey Farmers, Inc. 401(k) Plan

To be eligible to enroll in the 401(k) Plan, you must first have attained age 18, and have completed 6 months of service. Six months of service is completed on the last day of the Eligibility Computation Period in which you are credited with 500 Hours of Service.

The “Eligibility Computation Period” is the 6-month period that begins with the date you were hired. If you don’t meet the service requirements during the first year following your date of hire, the eligibility computation period becomes the Plan Year. You may then meet the requirements during any Plan Year.

There is an “Automatic Enrollment” feature of the Plan for newly eligible employees. A newly eligible employee will be automatically enrolled into the Plan and 3% will be withheld from your bi-weekly paycheck and put into the Plan for you. You will remain in the Plan until you decide to withdraw from the Plan. To opt out of the automatic enrollment feature, you must fill out the Savings Form and select “no pre-tax amounts at this time.” Open enrollments are held monthly for all eligible employees. Please see the table below for the matching contribution percentages.

Employee Contribution	Employer Contribution
0%	3%
1%	4%
2%	5%
3%	6%
4% +	Capped at 6%

Profit Sharing Plan

The following Profit Sharing Plan is designed to share the Cooperative’s Net Savings with employees and to stimulate and motivate the employees to help achieve the goals of the cooperative. Management will review this plan from time to time and may modify this plan at their discretion.

Profit Sharing is based on net savings including patronage refunds received, but excludes gains or losses from the sale of company assets and extraordinary items. To be eligible, employees must be full time and not receive a significant portion of their W-2 wages from commissions.

Employees must have worked during the prior fiscal year and still be actively employed at time of distribution. Retirees who were employed at the fiscal year end, but who retire prior to distribution, are still eligible.

Distribution: 50% will be divided with each employee receiving a percent of the fund based on the percentage of their fiscal year base wages plus overtime compared to the entire group. 25% will be distributed based upon employee performance and 25% will be equally distributed among each employee.

Workers' Compensation

Statement & Description

It is the goal of the Company to provide a safe and healthy work environment and to attempt to prevent employee workplace injuries. If a workplace injury or illness occurs, the workers' compensation claim must be handled in compliance with Federal and State regulations and the insurance carrier's procedures.

The Company is required by law to keep detailed records of all occupational injuries and illnesses. **Therefore, it is MANDATORY that all occupational injuries and/or illnesses are reported to the supervisor immediately when they occur. This information should be transmitted in writing to Human Resources.**

Employees are fully protected by Worker's Compensation Insurance. Wages and benefits will be paid in accordance with Federal and State regulations. Employees who are unable to return to work after six months of leave under the Workers Compensation program will be terminated from employment with Luckey Farmers, Inc.. Appropriate Workers Compensation benefits and wage replacement will continue after termination of employment.

Procedure

1. When an employee has an occupational injury and/or illness that requires medical treatment, they should be referred to an appropriate authorized health care provider.
2. **All information pertaining to an occupational injury and/or illness, no matter how serious the injury or illness is, must be reported immediately to Human Resources.**
3. A physician report of any restrictions or lost time must be submitted to the employee's supervisor and Human Resources.
4. An appropriate State report of injury form will be completed and signed by the immediate supervisor and submitted to Human Resources, who will then submit the report to the Worker's Compensation insurance carrier.
5. When an employee's occupational injury or illness causes restrictions or lost time from work, Human Resources and the employee's supervisor may arrange light duty for the employee until the physician approves his/her return to regular job duties without restrictions.

An employee's occupational injury or illness causing lost time from work may be counted against the employee's Family Medical Leave Act (FMLA) leave rights. If so, Human Resources will notify the employee that their worker's compensation leave will be counted against their annual FMLA leave.

Safety and Health

Safety Policy

Luckey Farmers, Inc., takes employee safety very seriously. We will make every effort to provide a safe environment in which to work in accordance with the Occupational Safety and Health Act of 1970. Employees are expected to take an active part in maintaining this environment by observing all safety rules, and to keep the work place clean and neat. Please report all injuries (no matter how minor) to your supervisor immediately, as well as anything that needs repair or is a safety hazard.

When an injury is sustained while at work, it must be reported immediately to your supervisor, who will in turn notify Human Resources or the Safety Coordinator of the incident.

The Company will require any employee to undergo drug and alcohol testing if the employee has violated the Company's work rules by causing a work related accident or was operating or helped to operate machinery, equipment, or a vehicle involved in a work related accident.

Failure to report accidents is a serious matter as it may preclude an employee's coverage under Workers' Compensation Insurance.

For life-threatening injuries, go to the nearest hospital emergency room, otherwise if injury is non-life threatening, go to the nearest OCC location.

The Supervisor and the employee will need to complete an accident report with the details of the accident and if proper safety procedures were being followed.

Workplace Violence

Luckey Farmers, Inc., strictly prohibits use of violence or threats of violence in the workplace and views such actions very seriously. Any employee who contributes to any form of violence will be subject to disciplinary action, including termination. Violent or threatening behavior must be reported immediately to a supervisor.

Weapons

It is the policy of Luckey Farmers, Inc., that no guns and/or weapons of any kind are allowed on the Company premises or in any location in which the employee represents the Company for business purposes. Weapons include guns, knives, explosives, or any other object generally considered to be a weapon and whose purpose is to cause harm to another person.

Employees are not permitted to carry (either openly or in a concealed manner) any firearms while on the company's premises, while at client work locations on company business, while in company vehicles, or while acting as a company representative at any work-related activities, meetings, or functions. This prohibition against the possession or carrying of firearms applies even if the employee is licensed to carry a concealed by the state of Ohio. Employees who have a valid conceal carry license are permitted to transport and store a legal firearm and ammunition in a locked trunk,

glove box, or other enclosed compartment within or on the vehicle in a personal vehicle while the vehicle is in the employee parking area. This policy is intended to comply with all applicable state laws concerning employee rights to possess and carry firearms and shall be interpreted and enforced accordingly.

Domestic Violence

Domestic violence is a serious problem that adversely affects the well-being and productivity of all employees who are victims, as well as their co-workers. Luckey Farmers, Inc., will assist employees who are victims of domestic violence and will take measures to create a safe working environment for them. All sensitive information will be kept confidential to maintain respect for the privacy of the reporting employee(s).

Smoking

In order to comply with government regulations, Luckey Farmers has prohibited smoking throughout its workplace. It is our policy to provide a safe and healthy work environment for our employees and customers. Accordingly, smoking is not allowed in company owned vehicles, company buildings or within 20 feet of all exterior entranceways. Employees may smoke on scheduled breaks or during meal times, as long as they do so outside the building in designated areas. Cigarette butts and other materials related to tobacco use must be disposed of in designated containers.

The company reserves the right to reprimand an employee, up to and including dismissing such employee that willfully violates such laws.

Use of Company Property

Internet and Computer Usage

Disclaimer

The Internet is a constantly growing worldwide network of computers and servers that contain millions of pages of information. Users are cautioned that many of these pages include offensive, sexually explicit, and inappropriate material. Users are further cautioned that it is difficult to avoid at least some contact with this material while using the Internet. Even innocuous search requests may lead to sites with highly offensive content. Additionally, having an e-mail address on the Internet may lead to receipt of unsolicited e-mail containing offensive content. Employees and users (herein referred to as "Users," or "User") accessing the Internet do so at their own risk and understand and agree that **Luckey Farmers Inc.** (herein referred to as "Company," or "The Company") is not responsible for material viewed or downloaded by users from the Internet. To minimize these risks, your use of the Internet at **The Company** is governed by the following policy:

Permitted Use of Internet and Company Computer Network

The computer network is the property of The Company and is to be used for legitimate business purposes. Users are provided access to the computer network to assist them in the performance of their jobs. Additionally, certain Users may also be provided with access to the Internet through the computer network. All Users have a responsibility to use The Company's computer resources and the Internet in a professional, lawful and ethical manner. Abuse of the computer network or the Internet, may result in disciplinary action, including possible termination, and civil and/or criminal liability.

Computer Network Use Limitations

Prohibited Activities. Without prior written permission from The Company, The Company's computer network may not be used to disseminate, view or store commercial or personal advertisements, solicitations, promotions, destructive code (e.g., viruses, Trojan horse programs, etc.) or any other unauthorized materials. Occasional limited appropriate personal use of the computer is permitted if such use does not a) interfere with the User's or any other employee's job performance; b) have an undue effect on the computer or company network's performance; c) or violate any other policies, provisions, guidelines or standards of this agreement or any other of the Company. Further, at all times users are responsible for the professional, ethical and lawful use of the computer system. Personal use of the computer is a privilege that may be revoked at any time.

Illegal Copying. Users may not illegally copy material protected under copyright law or make that material available to others for copying. You are responsible for complying with copyright law and applicable licenses that may apply to software, files, graphics, documents, messages, and other material you wish to download or copy. You may not agree to a license or download any material for which a registration fee is charged without first obtaining the express written permission of the company.

Communication of Trade Secrets. Unless expressly authorized to do so, Users are prohibited from sending, transmitting, or otherwise distributing proprietary information, data, trade secrets or other confidential information belonging to The Company. Unauthorized dissemination of such material may result in severe disciplinary action as well as substantial civil and criminal penalties under State and Federal Economic Espionage laws.

Duty not to Waste or Damage Computer Resources

Accessing the Internet. To ensure security, avoid the spread of viruses & malware, and to maintain The Company's Internet Usage Policies or Acceptable Use Policies, employees may only access the Internet through a computer attached to The Company's network and approved Internet firewall or other security device(s). Bypassing The Company's computer network security by accessing the Internet directly by personal connections such as (but not limited to) Cellular Networks, Wimax, modems, or proxy avoidance techniques or by any other means is strictly prohibited.

Frivolous Use. Computer resources are not unlimited. Network bandwidth and storage capacity have finite limits, and all Users connected to the network have a responsibility to conserve these resources. As such, Users must not deliberately perform acts that waste computer resources or unfairly monopolize resources to the exclusion of others. These acts include, but are not limited to, sending mass mailings or chain letters, spending excessive amounts of time on the Internet, playing games, engaging in online chat groups or other social media, uploading or downloading large files, accessing streaming audio and/or video files, or otherwise creating unnecessary loads on network traffic associated with non-business-related uses of the Internet.

Virus Detection. Files obtained from sources outside The Company, including disks brought from home, files downloaded from the Internet, newsgroups, bulletin boards, or other online services; files attached to e-mail, and files provided by customers or vendors, may contain dangerous computer viruses that may damage The Company's computer network. Users should never download files from the Internet, accept e-mail attachments from outsiders, or use disks from non-Company sources, without first scanning the material with Company-approved virus checking software. If you suspect that a virus has been introduced into The Company's network, notify The Company immediately.

No Expectation of Privacy. Employees are given computers and Internet access to assist them in the performance of their jobs. Employees should have no expectation of privacy in anything they create, store, post, send or receive using the company's computer equipment. The computer network is the property of The Company and may be used only for Company purposes.

Waiver of privacy rights. User expressly waives any right of privacy in anything they create, store, post, send or receive using the company's computer equipment or Internet access. User consents to allow company personnel access to and review of all materials created, stored, sent or received by User through any Company network or Internet connection.

Monitoring of computer and Internet usage. The Company has the right to monitor and log and archive any and all aspects of its computer system including, but not limited to, monitoring Internet sites visited by Users, monitoring chat and newsgroups, monitoring file downloads, and all communications sent and received by users via Email, IM & Chat & Social Networking.

Blocking Sites With Inappropriate Content

The Company has the right to utilize hardware and software that makes it possible to identify and block access to Internet sites containing sexually explicit or other material deemed inappropriate in the workplace.

Blocking Sites With Non-productive Content

The Company has the right to utilize hardware and software that makes it possible to identify and block access to Internet sites containing non-work-related content such as (but not limited to) Drug Abuse; Hacking; Illegal or Unethical; Discrimination; Violence; Proxy Avoidance; Plagiarism; Child Abuse; Alternative Beliefs; Adult Materials; Advocacy Organizations; Gambling; Extremist Groups; Nudity and Risqué; Pornography; Tasteless; Weapons; Sexual Content; Sex Education; Alcohol; Tobacco; Lingerie and Swimsuit; Sports; Hunting; War Games; Online Gaming; Freeware and Software Downloads; File Sharing and Offsite Storage; Streaming Media; Peer-to-peer File Sharing; Internet Radio or TV; Internet Telephony; Online Shopping; Malicious Websites; Phishing; SPAM; Advertising; Brokerage and Trading; Web-Based Personal Email; Entertainment; Arts and Culture; Education; Health and Wellness; Job Search; Medicine; News and Media; Social Networking; Political Organizations; Reference; Religion; Travel; Personal Vehicles; Dynamic Content; Folklore; Web Chat; Instant Messaging or IM; Newsgroups and Message Boards; Digital Postcards; Education; Real Estate; Restaurant or Dining; Personal Websites or Blogs; Content Servers; Domain Parking; Personal Privacy; Finance and Banking; Search Engines and Portals; Government and Legal Organizations; Web Hosting; Secure Sites; or Web-based Applications.

Electronic Mail

The email system is intended for official company business and is to be used for authorized purposes only. Brief and occasional personal use of the electronic mail system or the Internet is acceptable as long as it is not excessive or inappropriate and occurs during personal time only. Any employee who abuses this privilege will be subject to disciplinary action.

Email is not private

Luckey Farmers, Inc. owns the rights to all data and files in any computer, network or other information system used in the Company. We also reserve the right to monitor electronic mail messages and their content. Employees must be aware that the email messages that they send and receive using company equipment are not private and are subject to viewing, downloading, inspection, release and archiving by company officials at all times. No employee may access another employees' computer, computer files or electronic mail messages without prior authorization from either the employee or an appropriate company official.

Guidelines for Email Writing

Employees are expected to communicate with courtesy and restraint with both internal and external recipients. Electronic mail should reflect the professionalism of the Company and should not include language that could be construed as profane, discriminatory, obscene, sexually harassing, threatening or retaliatory. Always use spell-check or proof read emails: typographical or grammatical errors and misspelled words are unacceptable. Employees should remember that email is a form of business communication and the language they use should reflect that fact at all times. It is recommended that using all capital letters, shorthand, idioms, unfamiliar acronyms and slang be avoided when using electronic mail as these types of messages are difficult to read.

Electronic Mail Tampering

Electronic mail messages received should not be altered without the sender's permission nor should electronic mail be altered and forwarded to another user and/or unauthorized attachments be placed on another's electronic mail message.

Telephone System

Luckey Farmers, Inc.'s telephone system is for business purposes only. Although the occasional use of telephones for personal reasons may be necessary, employees are expected to keep them brief. With the exception of emergency calls, all personal calls should be made during breaks or lunch time. No long distance calls are to be made on company phones which are not strictly business related. Extensive personal use of company phones is grounds for discipline.

Our company's policies against sexual and other types of harassment apply fully to the voice mail system. Violations of those policies are not permitted and may result in disciplinary action, up to and including termination. Therefore, employees are also prohibited from the transmission of sexually-explicit messages, ethnic slurs, racial epithets or anything which could be construed as harassment or disparaging to others.

For business purposes, management reserves the right to enter, search and/or monitor the private company voice mail system and the voice mail of any employee without advance notice and consistent with applicable state and federal laws.

Office Supplies

Postage, shipping and office supplies paid for by the Company are for business purposes and are not to be used for an employee's personal purposes. Improper use or theft of company equipment or supplies is grounds for disciplinary action, up to and including termination.

Discipline and Termination of Employment

All employees are expected to meet Luckey Farmers, Inc.'s standards of work performance and conduct. When an employee deviates from these rules and standards, we reserve the right to take corrective action. Infractions that may result in discipline include, but are not limited to, performance-related problems, violations of Luckey Farmers, Inc.'s rules and policies, and for behaviors that Luckey Farmers, Inc., deems unacceptable.

Depending upon the facts and circumstances, disciplinary actions may include counseling sessions, verbal warnings, written warnings, suspension or probation, or termination. The disciplinary process will be determined by management in light of the facts and circumstances of each case. We reserve the right to alter the order of disciplinary action described above, eliminate disciplinary steps, or to implement new disciplinary measures. We may also immediately terminate employment based on certain policy violations, the seriousness of the employee's misconduct, and the employee's past record.

Conduct that may result in immediate termination includes but is not limited to: insubordinate behavior, theft, untruthfulness about time worked, destruction of company property, untruthfulness about personal background, drug or alcohol abuse, or threats of violence. These are some examples but it is not a complete list of offenses for which an employee may be subject to immediate dismissal.

In the event of dismissal for misconduct, all benefits end at the end of the month. COBRA may not be available to anyone dismissed from Luckey Farmers for gross misconduct.

Voluntary Termination

As an at-will employee, you have the right to resign at any time for any reason. However, Luckey Farmers, Inc., requests two weeks notice of resignation to minimize disruption of work. On the last day of employment you will be required to surrender all company property. Prior to departure, you may be asked to participate in an exit interview.

Rehire

Former employees who are dismissed and who voluntarily terminate their employment without sufficient notice are generally not eligible for rehire.

Retirement Plan

In order to receive a disbursement of any amounts due from the Retirement Plan, the employee is required to complete and sign a distribution form.

Benefits

Benefits (Life, Medical, Dental & Vision) end on your last day of the month in which your last day of employment falls. An employee, unless dismissed for gross misconduct, may choose the continuation or waiver of comprehensive medical coverage under COBRA.

Final Pay

Terminating employees will receive all compensation to which they are entitled to.

Unused PTO will not be paid upon termination of employment.

Miscellaneous Information

Bulletin Boards

To keep our employees informed, the Company provides bulletin boards in the Branch offices that provide access to important posted information and announcements. Employees are responsible for reading this information. No material may be posted or removed from the bulletin boards without the approval of the Human Resources Department.

Personal Information Changes

Employees are responsible for promptly notifying the Human Resources Department of any change in their personal information. This includes address, telephone number, marital status, name change, citizenship, tax withholding allowances, emergency contact information, insurance beneficiary, or dependent insurance coverage. Changes in personal data may affect employee benefits so prompt reporting of these changes is important.

Dress Code

As representatives of Luckey Farmers, Inc., employees should remember that their appearance is a direct reflection on the level of professionalism in the Company. For this reason, all employees shall follow these basic minimum guidelines in regard to dress and personal appearance. Management may impose additional appropriate standards.

- If an employee requires a reasonable accommodation regarding their dress for bona fide religious reasons, they should contact their supervisor or the Human Resources Department. Unless an undue hardship would result, such an accommodation will be made.

Expense Reimbursement

Luckey Farmers, Inc., will reimburse employees for reasonable pre-approved business expenses. All expenses must be submitted on the required expense form and be approved by your supervisor prior to submission for reimbursement. Receipts for all business expenses must be attached to the expense form.

Personal Property

Luckey Farmers, Inc. does not assume responsibility for any personal property located on its premises, in vehicles or in parking areas. Employees are to use their own discretion when choosing to bring personal property to the workplace and do so at their own risk.

Employee Discounts

Employees of Luckey Farmers, Inc. are entitled to a 10% discount on merchandise that they purchase for their own use (not for resale) providing that the merchandise is paid for within 30 days. Merchandise includes small animal health products, fertilizer and lawn products, hardware goods and sacked feeds. It does not include any other products or services of Luckey Farmers, Inc. Discounts will not be allowed on any purchase used for the production of agricultural products for resale. A 3 cents per gallon discount on gasoline and fuel oil purchased for personal use will be allowed.

For the benefit of all concerned, it is mandatory that any transaction, either a purchase or sale with Luckey Farmers must be handled by another employee of the company, both preparation of invoice and delivery of merchandise.

Social Media Policy

Luckey Farmers respects the right of employees to use and develop personal websites, web logs (blogs), and to participate in social networking services, chat rooms, bulletin board posting, and other web facilities on their personal time. The employee must adhere to the following guidelines related to personal websites and social networking:

- If there is any direct or remote reference of your activity to Luckey Farmers then clearly and conspicuously state that the views expressed are the employee's alone and that they do not necessarily reflect the views of Luckey Farmers.
- Unless given written consent, you may not use Luckey Farmers and affiliated company logos and other organizational material in your posts.
- Do not post any comment or picture involving Luckey Farmers as a corporation or Luckey Farmers's employees, customers, clients, vendors or members. Exceptions to this policy are allowed with express written consent from the appropriate party and approval from the corporate communications manager.
- Avoid making defamatory, harassing or libelous statements about those parties above, including Luckey Farmers, partners, vendors, affiliates, competitors, and others associated with Luckey Farmers. Otherwise, the employee may be subject to legal liability by any of those parties.
- Do not disclose any information that is confidential, proprietary, or related to intellectual property of Luckey Farmers.
- Do not discriminate. Luckey Farmers will not tolerate discrimination (including age, sex, race, color, creed, religion, ethnicity, sexual orientation, gender identity, national origin, citizenship, disability, or marital status or any other legally recognized protected basis under federal, state, or local laws, regulations or ordinances).

If blogging and social media activity is perceived to conflict with an employee's employment, Luckey Farmers may ask the employee to discontinue the activity, and the employee may be subject to disciplinary action up to and including termination. Contact your manager with any questions regarding these guidelines.

Disciplinary action up to and including dismissal could result from violations of this policy and for other uses of Luckey Farmers's computer systems not specifically outlined here when circumstances warrant it.

Receipt of Employee Handbook

I have received my copy of the Employee Handbook.

The employee handbook describes important information about Luckey Farmers, Inc., and I understand that I should consult my manager or Human Resources regarding any questions not answered in the handbook. I have entered into my employment relationship with Luckey Farmers, Inc. voluntarily and acknowledge that there is no specified length of employment. **Accordingly, either I or Luckey Farmers, Inc. can terminate the relationship at will, with or without cause, at any time, so long as there is not violation of applicable federal or state law.**

I understand and agree that, other than the president of company, no manager, supervisor or representative of Luckey Farmers, Inc. has any authority to enter into any agreement for employment other than at will; only the president of the company has the authority to make any such agreement and then only in writing signed by the president of Luckey Farmers, Inc.

This handbook and the policies and procedures contained herein supersede any and all prior practices, oral or written representations, or statements regarding the terms and conditions of my employment with Luckey Farmers, Inc. By distributing this handbook, the company expressly revokes any and all previous policies and procedures that are inconsistent with those contained herein.

I understand that, except for employment-at-will status, any and all policies and practices may be changed at any time by Luckey Farmers, Inc., and the company reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify or eliminate existing policies. Only the president of Luckey Farmers, Inc. has the ability to adopt any revisions to the policies in this handbook.

I understand and agree that nothing in the Employee Handbook creates, or is intended to create a promise or representation of continued employment and that employment at Luckey Farmers, Inc. is employment at will, which may be terminated at the will of either Luckey Farmers, Inc. or myself. Nothing in this handbook is intended to unlawfully restrict an employee's right to engage in any of the rights guaranteed them by section 7 of the national labor relations act, including but not limited to, the right to engage in concerted protected activity for the purposes of their mutual aid and/or protection. Nothing in this handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in the exercise of section 7 rights. Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document.

I understand and agree that employment and compensation may be terminated with or without cause and with or without notice at any time by Luckey Farmers, Inc. or myself.

I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Employee's Signature

Employee's Name (Print)

Date

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE

Receipt of Employee Handbook

I have received my copy of the Employee Handbook.

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I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Employee's Signature

Employee's Name (Print)

Date

TO BE RETAINED BY EMPLOYEE