

Employee Handbook 1-6-2017 Revision

Copies of all documents available on the JcrOffroad website at http://www.jcroffroad.com/employeedocs.html

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Mission

JcrOffroad, Inc aims to provide high quality metal fabricated products for off-road vehicles. We aim to excel in this market in quality, design, and pricing; while producing these products in house with American made tooling when possible.

Introduction

This employee handbook has been prepared so that each employee may know what they can expect from JcrOffroad, Inc., and what JCR expects of its employees. It is a prime objective of JCR to firmly establish and maintain a fair relationship between the needs of both our customers and our employees. The policies and guidelines contained in this handbook are intended to assist in achieving that objective.

We feel that by making a concentrated effort to make JCR an enjoyable place to work, our employees will want to do their jobs right, thus helping JCR succeed. We hope that the guidelines in this handbook will continually reassure you that every employee will be treated fairly. Employment is a matter of mutual agreement; In return for offering a reliable income, JCR is entitled to reliable performance. JCR expects that employees will be present, on time, and ready for work; where and when they are assigned.

While JCR believes wholeheartedly in the policies and procedures described in this handbook, it reserves the right to unilaterally modify or terminate these policies in any manner which it believes to be in its best interest. JCR will, on a regular basis, review, update and improve your employee handbook.

We believe the profitable conduct of our business is of interest to you. We also believe that your attitudes, ideas, suggestions and constructive criticism are important to the conduct of our business. Therefore, we urge you to participate in the ongoing communication needed to bring about positive improvements at JCR.

It is our belief that, with everyone following the policies and procedures in this handbook, JCR can be the kind of place where we all want to work at.

Employee Status

- 1. FULL-TIME Any hourly or salary employee who is regularly scheduled to work not less than 40 hours per week, fifty-two weeks per year, less any scheduled time off.
- 2. PART-TIME -- Any hourly employee who is normally scheduled to work less than 40 hours in a calendar week.

<u>Benefits</u> -- Full-time hourly employees and salaried employees are eligible for full benefits on the first of the month after completion of the 90-day Probation requirement.

Part-time or Temporary employees are not eligible for benefits.

Employment on an At-Will Basis

All employees of the company, regardless of their classification or position, are employed on an at-will basis. This means that each employee's employment is terminable at the will of the employee or the company at any time, with or without cause and with or without notice. No officer, agent, representative, or employee of the company has any authority to enter into any agreement with any employee or applicant for employment on other than an on an at-will basis. Furthermore, nothing contained in the policies, procedures, handbooks, manuals, job descriptions, application for employment, or any other document of the company shall in any way create an express or implied contract of employment or an employment relationship on other than an at-will basis.

90-Day Probationary Period

New Hires may be subject to a 90-day Probationary Period. After 90-Days, the Employee will be reviewed. At this time, the employee will be eligible for; A pay increase, Paid Holidays, and Health Insurance.

Workday Hours and Breaks

The regularly scheduled workday is:

Manufacturing - Monday through Thursday, 7:00a.m. to 6:00p.m.

Shipping and Receiving - Monday through Thursday, 7:00 a.m. to 6:00 p.m. Friday 7:00 a.m. to 5:00 p.m. (shifts assigned per employee)

Customer Service – Monday through Thursday, 9:00 a.m. to 6:00 p.m. Friday 9:00 a.m. to 5:00 p.m. (shifts assigned per employee)

Manufacturing/Shipping employees are allowed to take three 10 minute breaks; 10:00 a.m., 2:30 p.m., and 4:00 p.m.

Customer service /office employees can take their 10 minute morning and afternoon breaks as time allows.

Lunch breaks will be 1 hour - The lunch period is unpaid. Manufacturing lunch will be 12:00 p.m. to 1:00 p.m.

All full-time employees are required to take a lunch break.

Besides breaks, emergencies, or bathroom visits, employees are expected to be in their designated work areas throughout the rest of the day.

Recording Hours Worked

Hourly employees will be assigned a time clock ID upon hire. All hourly employees are required to punch IN at the start of their shift and after the lunch break, and punch OUT at lunch and at the end of your shift.

Employees are encouraged to punch in no more than 10 minutes prior to shift start. If employees punch in before that time, they will not be paid Overtime unless it has been approved by management.

Our time clock is set to record on a 15 minute slant.

In other words: On an IN punch, 4 minutes 59 seconds after the quarter hour rounds back and 5 minutes 00 seconds rounds forward to the next quarter hour. On an OUT punch, 9 minutes 59 seconds after the quarter hour rounds back, and 10 minutes 00 seconds rounds forward to the next quarter hour.

Examples: An IN punch at 7:49a would calculate as 7:45a. An IN punch at 7:50a would calculate as 8:00a An OUT punch at 5:09p would calculate as 5:00p. An OUT punch at 5:10p would calculate as 5:15p.

Attendance Policy

In order to insure a consistent attendance the following policies are to be followed.

Tardiness -- Punching in less than 15 minutes late will be considered tardy. Being tardy five or more times in a one year period will result in management prescribed penalties that may include disciplinary action and/or discharge.

Lateness -- Punching in more than 15 minutes late will be considered late. Being late three or more times in a one year period will result in management prescribed penalties which may include disciplinary action and/or discharge.

Failure to Report -- In case of unplanned conditions, such as bad weather, that may force a schedule change at the last minute, you should contact your supervisor or call the office directly, before the start of your shift. Text messages and e-mails will not be considered valid forms of notification. If no one is available, leave a voicemail at the main number.

Jury Duty -- Jury Duty is an excused absence if (1) the employee informs the company in writing (including a copy of the Notice to Report for jury Duty) two weeks prior to the date of jury duty; (2) returns immediately to JCR after being dismissed from duty. The employee will receive one full day of pay for the time spent on jury duty.

Court appearances -- Subpoenaed employees are excused from work, but not paid by JCR (A copy of the Court Summons must be provided to management). Employee may use PTO if available.

Funerals -- Death of a loved one will be considered an excused absence for the day of the funeral, but unpaid by the Company. Employee may use PTO if available.

Military Service -- Will be considered an excused absence, but unpaid by the Company. Employee may use PTO if available.

Time Clock Policy -- Paychecks are calculated on the scheduled start and finish times for each shift, except for late starts and/or early punch-outs, which will result in the employees pay being reduced accordingly. Early punch in or late punch out will not result in overtime, unless overtime has been specifically authorized.

Excused and Unexcused Days Off

Excused: Absences are discussed and excused in advance of the absence, by the supervisor, for such events as vacation, medical appointments, military service, family activities, jury duty, funerals, and other happenings which cannot be scheduled outside of regular work hours.

Unexcused: Absences are not discussed or excused in advance by the supervisor. Advanced notice would be any time before the employees scheduled shift.

Upon three unexcused absences per calendar year disciplinary actions will be taken, which can included un-paid time off or termination. If agreed upon prior to the unpaid absence, employees may use PTO days to avoid an unexcused absence.

Pay Period and Payday

The company issues paychecks every other Thursday, on a bi-weekly basis. Weekly pay periods start on Monday morning and end on Sunday evening. Therefore, bi-weekly, you will receive a paycheck for all hours worked over the last two work weeks. JcrOffroad does not withhold your first paycheck.

Former employees must pick up their final check at JCR, unless prior arrangements have been made.

All employees are required to use direct deposit. Payroll cards are available for employees without an established financial institution.

Workweek & Overtime

The company's workweek begins on Monday at 12:01a.m. and ends on Sunday at 12:00 midnight.

Occasionally it may be necessary for an employee to work beyond his or her normal workday hours. Overtime pay is paid only when work is scheduled, approved, and made known to you in advance by your supervisor. Under no circumstances shall an employee work overtime without the prior approval of his or her supervisor.

Hourly employees will receive overtime pay at a rate of one-and-one-half times their regular hourly rate for all hours physically worked in excess of 40 in a workweek. PTO hours are not eligible for overtime pay.

To the extent possible, overtime will be distributed equally among all employees in the same classification and position, provided that the employees concerned are equally capable of performing the available work. Decisions regarding overtime work will be made by the Production Coordinator or his/her representative. Any employee asked to work overtime will be expected to rearrange his/her personal schedule to work the requested overtime.

<u>Holidays</u>

The company observes the following holidays:

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving
- Christmas

Full-time employees will be paid for these holidays as long as the employee was present for work on the workdays immediately before and after that holiday, or had an acceptable excuse for being absent on any such days. If a paid holiday falls within an employee's vacation period, the holiday will not be counted as a vacation day. Part-time employees are not eligible for holiday pay.

All paid Holidays are paid based the employees normally scheduled shift.

If the paid holiday is on a Thursday, JCR will sometimes stay closed the next day (Friday) at the Managements' discretion. Employees will be notified of this closure in advance. This day will be unpaid, but PTO can be used.

Paid Time Off

The company provides its full-time employees with paid time off ("PTO") each year as a way to express our appreciation and to renew and refresh our employees. Because our business is often very seasonal, the company reserves the rights to grant PTO at times that are most suitable for our business conditions and to limit PTO during our busy season.

Depending on job responsibilities, JcrOffroad reserves the right to contact the employee during scheduled time off for matters of urgency.

All full-time employees become eligible to accrue 90 days after employment with the company.

<u>Service time</u>	PTO Hours	Accrual Rate
0-3 Years	80 Hours	.03846
3-5 Years	100 Hours	.04807
5-10 Years	120 Hours	.05769
10-Up	160 Hours	.07692

- All eligible employees may only carry over up to 40 hours of PTO from the previous calendar year.
- No matter what the employee anniversary date, everyone's PTO will reset (besides any carryover) on January 1
- During the first calendar year of employment, PTO hours are prorated based on the number of months remaining in that year.
- PTO may be used in 2 hour blocks. Example; 2 hours, 4 hours, 6 hours, etc.
- No more than two consecutive weeks of PTO can be taken at any given time.

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- Vacation times longer than 3 consecutive days requires time off request from submitted two calendar weeks prior to required time off.
- An employee must use any available PTO before being allowed to take un-paid time off. Un-paid time off would be at the discretion of Management.
- Upon termination of employment for any reason, employees forfeit any accumulated but unused PTO.
- Part-time employees are not eligible for PTO.

Health Care

JCR offers health care to all full-time employees. You have the choice to opt into this benefit 90 days after your start date. A summary of this health care plan is attached to this handbook. A full description is included in the JcrOffroad, Inc. Health Care Benefits Summary Plan Description. You can find this in the cabinet in the break room, or on the JcrOffroad website at http://www.jcroffroad.com/Employee_Docs.html. This plan is partially funded by the employee at a rate of 30% of the premium per month for themselves, and 50% of the premium per month for their spouse or children.

All portions funded by employees will be deducted pre-tax.

Retirement Benifit Plan

JcrOffroad, Inc. has initiated a company retirement plan with a safe Harbor Matching Contribution. Please see the JcrOffroad, Inc. 401k Summery Plan Description. You can find this in the cabinet in the break room, or on the JcrOffroad website at http://www.jcroffroad.com/Employee_Docs.html

Employees are eligible for 401k match after 1 year of continuous employment. To summarize we will do a 100% match of your contribution to the fund up to 3% of your yearly Compensation, and a 50% match of your contribution above 3% and up to 5% of your total yearly Compensation.

If 3% of your yearly Compensation (Ex \$30,000) is \$900, and you elect to contribute that full \$900 to the 401K we will match that amount, this adding a total of \$1,800.00 to the plan. If you elect to contribute \$1,500.00, we will match up to 3% (\$900) and above that Contribute at a 50% match (\$300 additional) thus adding up to a total yearly combined Contribution of \$2,700.

This summery or explanation is in no way a substitute or amendment for the wording in the SPD included in this document.

Performance Evaluations

Employees may have their job performance reviewed on an annual or biannual basis by either their supervisor and/or by the President of the company.

<u>Uniforms</u>

Each full-time manufacturing employee will be required to have uniforms, the cost of the uniforms will be deducted directly from your paycheck (cost is around \$8-9 a week). These shirts and pants will be washed and repaired by an outside company. It is each employee's responsibility to turn the uniforms in for service on a weekly basis. If an employee is terminated, all uniforms must be turned in or the cost will be deducted from their last paycheck. Normal wear and tear is covered on these uniforms, but any loss or intentional/negligent damages will be charged to the employee.

Rules of Conduct and Progressive Disciplinary Procedure

There are reasonable rules of conduct which must be followed in any organization to help a group of people work together effectively. The company expects each employee to present him or herself in a professional appearance and manner. If an employee is not considerate of others and does not observe reasonable work rules, disciplinary action will be taken.

Depending on the severity or frequency of the disciplinary problems, a verbal or written reprimand, suspension without pay, disciplinary probation, or discharge may be necessary. It is within the company's sole discretion to select the appropriate disciplinary action to be taken. Notwithstanding the availability of the various disciplinary options, the company reserves the right to discharge an employee at its discretion, with or without notice.

The following is not a complete list of offenses for which an employee may be subject to discipline, but it is illustrative of those offenses that may result in immediate discipline, up to and including dismissal, for a single offense:

- 1. Excessive absenteeism or tardiness.
- 2. Dishonesty, including falsification of Company-related documents, or misrepresentation of any fact.
- 3. Fighting, disorderly conduct, horseplay, or any other behavior which is dangerous or disruptive.
- 4. Possession of, consumption of, or being under the influence of alcoholic beverages while on Company or customer premises or on Company business.
- 5. Illegal manufacture, distribution, dispensation, sale, possession, or use of illegal drugs or un-prescribed controlled substances.
- 6. Reporting for work with illegal drugs or un-prescribed controlled substances in your body.
- 7. Possession of weapons, firearms, ammunition, explosives, or fireworks on Company premises.
- 8. Failure to promptly report a workplace injury or accident involving any of the Company's employees, clients, equipment, or property. Willful neglect of safety practices, rules, and policies.
- 9. Speeding or reckless driving on company premises or with a company vehicle.
- 10. Commission of a crime, or other conduct which may damage the reputation of Company.
- 11. Stealing, misappropriating, or intentionally damaging property belonging to the Company or its customers or employees.
- 12. Unauthorized use of the Company's or its clients' name, logo, funds, equipment, vehicles, or property.
- 13. Insubordination, including failure to comply with any work assignments or instructions given by any company supervisor with the authority to do so.
- 14. Violation of the Company's Equal Employment Opportunity Policy or its Harassment Policy.
- 15. Interference with the work performance of other employees.
- 16. Failure to cooperate with an internal investigation, including, but not limited to, investigations of violations of these work rules.
- 17. Failure to maintain the confidentiality of trade secrets or other confidential information belonging to the Company or its customers.
- 18. Failure to comply with the personnel policies and rules of the Company.

General Policies

We are committed to treating all people with respect and dignity. We will strive to improve the quality of our community, the environment and our company through our workmanship, job creation and profitability.

 Manufacturing space is inherently loud. Hearing protection is required. Personal music devices are allowed as long as the headphones also reduce external noise, AND they don't become a hindrance to the working environment.

- Safety glasses or prescription glasses with side shields are required to be worn while on the shop floor at all times.
- Steel toed boots are required to be worn while on the shop floor at all times.
- No one may use any company property, material, equipment or time for other business, unless specifically authorized by the owners of JcrOffroad Inc.
- JCR management reserves the right to remove anything from its premises that it finds inappropriate, disturbing or offensive. Such removal may be immediate, without prior notice. JCR management will strive to seek cooperation from employees in all such situations.
- It is prohibited to engage in unlawful harassment of employees, including implied or expressed sexual harassment. Disciplinary action will be taken promptly against any employee engaging in unlawful sexual harassment.
- Visitors are not allowed in the shop area, unless accompanied by a JCR employee. They must wear safety glasses or prescription glasses with side shields while in the shop.
- Management reserves the right to discard anything left in the refrigerator over the weekend.
- You must clean up any mess you make. Including sweeping the floor after fabrication operations are completed or just before the end of your shift, messes made from using the break room or facilities.
- Socializing or talking about non-work related subjects are limited to times during breaks and the lunch period. The productivity of the company is too valuable to all of us to expect anything else.
- Three written warnings within a 12-month period (beginning on the date of the first warning) will be considered grounds for dismissal.
- Insubordination: refusal to do assigned work will result in a written warning, unless the work involves an inherit safety concern.
- We reserve the right to ask any employee, at any time, to submit to drug testing. Use of drugs and alcohol endangers other employees and will be cause for dismissal. You must report all medications that hinder your mobility or decision making process to your supervisor. These medications could impair your abilities and be potentially harmful to you or your fellow workers. Please refer to the JcrOffroad Inc., drug policy included in this manual in the section titled "DRUG AND ALCOHOL POLICY".
- Employees are expected to treat company property with respect.
- No one may knowingly allow materials that have quality problems to be released to a customer.
- Backbiting, manipulating, swearing, negative and unethical behavior, and other divisive activities, are causes for a written warning. Solicitation on Company Premises -- There is to be no solicitation on the Company premises without prior approval from management. This includes items for sale or any information posted.
- Horseplay Horseplay in the shop area can be dangerous, it is not permitted. Any offense will be grounds for disciplinary action and/or termination.
- Phone calls, text messages and emails are to be left for during breaks or during the lunch hour.

Right to Know Policy

Michigan Employee Right to Know Law applies to all employers in Michigan. Each employer is required to obtain "Material Safety Data Sheets" for each hazardous chemical used in their work place.

MSDS sheets are located at JcrOffroad Inc., in the cabinet in the break room. This notebook is labeled MSDS. MSDS sheets are available to all employees. For additional information concerning Right To Know Policy, please consult the Health and Safety Manual, and the labor law poster in the break room.

Safety Policy Statement

It is the policy of JCR to take every reasonable precaution in the performance of work to protect the health and safety of employees and the public and to minimize the probability of damage to property.

Every attempt is made to be in compliance, at all times, with OSHA and MIOSHA regulations.

Quality Policy Statement

The loyalty of our customers over the last 12 years is a direct result of our being aware of the importance of quality and on time deliveries. It is the policy of JCR that its products and services shall be delivered on time at a competitive price, while meeting or exceeding our customers' expectations for quality. All employees of JCR are encouraged to identify and evaluate quality problems and to initiate, provide or recommend solutions in cooperation with management.

Confidentiality Agreement

Employment with JcrOffroad Inc. requires all employees to sign at confidentiality agreement and maintain confidentiality concerning all customer information, pricing lists, manufacturing techniques and operational procedures. Any violation of this Company's Confidentiality Policy harms the reputation of this Company and exposes the Company to serious economic damages. An Officer of the Company must approve all disclosures of confidential or proprietary information in advance.

Employees are not permitted to remove any literature, documents, customer information or pricing lists without the approval of the administration. Employees are not authorized to make any copies without management's prior approval of any records, reports, documents, customer information, pricing, manufacturing techniques or operational procedures. Employees violating this Policy may be held liable and compelled to pay monetary damages to the Company.

All violations of this Policy will result in discipline, including the possibility of immediate termination of employment. Employees further agree, that in exchange for employment and training provided by the Company, not to use for their own personal benefit, or to disclose to any unauthorized person, whether such a person is employed by the Company or not, without the prior written permission from an Officer of the Company, any time during or subsequent to the employee's employment with JCR, any knowledge or information detrimental to the Company concerning its inventions, processes, customers, suppliers, pricing, or any other business information, which is acquired during the employee's employment with JCR.

Each employee's wage and benefit agreement with JCR is considered confidential information. Employees are not to discuss this information with persons other than the management and officers of JCR. Violation of this provision may result in the employees involved in the violation being subject to a written warning and subsequent disciplinary action, including termination.

Discrimination Prohibited

JcrOffroad Inc., is an Equal Opportunity Employer and prohibits discrimination, including but not limited to, harassment on the basis of race, sex, age, religion, height, weight, national origin, marital or familial status, or disability.

As part of JCR policy of Equal Opportunity Employment, JCR strictly prohibits abusing the dignity of anyone through ethnic, racist, sexist or other derogatory comments, slurs, statements, jokes or other objectionable conduct in violation of this policy The company believes that all employees are entitled to a workplace free of harassment, and expects that all employees will treat each other and our customers with courtesy, dignity and respect.

Sexual Harassment Prohibited

JCR prohibits any employee, male or female, from engaging in actions that sexually harass other employees by:

- Making unwelcome sexual advances or requests for sexual favors or other verbal or physical conduct of a sexual nature, a condition of the employee's continued employment; or.
- Making submission to or rejection of such conduct the basis for employment decisions affecting the employee; or
- Stating or implying that a particular employee's advances in employment have resulted from the granting of sexual favors or the establishment or continuance of a sexual relationship; or
- Stating or implying that a particular employee's deficiencies in performance are attributable in whole or in part to the sex of that person, or
- Commenting on particular characteristics associated with a particular sex; or
- Creating an intimidating, hostile or offensive working environment by such conduct.

WARNING: Harassment, including sexual harassment or other forms of prohibited conduct, may lead to personal liability. Any person engaged in such conduct may be compelled by a court to pay money damages to victims of harassment.

Complaint Procedure

Any employee who believes that he or she has been subjected to any sexual harassment as defined above or any harassment based upon his or her race, sex, age, religion, height, weight, national origin, marital or familial status, or disability should file a written complaint on the form attached to these policies within 48 hours after the incident(s) occurs If someone other than the employee's immediate supervisor committed the alleged act, and that supervisor did not participate in, and was unaware of the conduct, the employee should register the complaint initially with his or her immediate supervisor If the employee is dissatisfied with the resolution by the supervisor, or if the supervisor was involved in the conduct, or, if after notifying the supervisor, the harassment continues, the employee should contact one of the company owners immediately.

Upon receipt of the complaint, an impartial investigation will be undertaken immediately Any supervisor or other employee who has been found, after appropriate investigation by JCR, to have harassed or discriminated against another employee will be subject to appropriate discipline, up to and including discharge

Non-Retaliation

JCR trusts that all employees will continue to act responsibly to establish a working environment free of discrimination. JCR encourages any employee to raise questions he or she may have regarding discrimination with management.

JCR not only prohibits harassment, but also strictly prohibits any retaliation against any employee who, in good faith, has registered a complaint under this procedure. Any supervisor, or employee of JCR who, after investigation, has been determined to have retaliated against an employee for utilizing the complaint procedure will be subject to appropriate discipline up to and including discharge. Any employee who believes he or she has been retaliated against for exercising the rights guaranteed under this policy should utilize the complaint procedure procedure or notify an owner.

A form for filing a complaint is attached at the end of this policy. Additional forms may be obtained from any supervisor.

JcrOffroad Inc. Complaint of Discrimination or Harassment Form

PLEASE STATE: The facts, events and circumstances that initiated filing this complaint Within the statement, please give the names of the persons engaging in the alleged discrimination or harassment, the dates the incident(s) occurred, witnesses to the alleged harassment or discrimination, and your response to the conduct or statements. (Attach additional sheets if necessary)

II. Please indicate what action or change you are seeking to resolve this complaint.

Date

Employee's Signature

Date

Received by: (Supervisory Name)

Harassment/Discrimination Investigation Report

Name of person filing complaint: _____

Date complaint filed: ______ (Note: all complaints must be made in writing. Upon verbal notice of an incident of harassment/discrimination the supervisor must supply a complaint form.)

Date incident occurred: _____ Time: _____

Instructions: All sections of the report must be completed. Please use reverse side or additional pages where required. The completed report must be provided to a company owner. A copy must be presented to the company's legal counsel as soon as practicable.

Date of this report: _____ Date forwarded to legal counsel: _____

Describe the incident as provided by the individual filing complaint:

Describe the incident as seen/heard by witnesses:

Describe the incident as provided by the individual alleged to have discriminated against/harassed the complainant:

Describe your findings of the incident:

Recommendations/corrective action taken:

Was complaint resolved to the satisfaction of all concerned? Yes_ No_ (explain):

Date:

Signature (Person Preparing Investigation Report)

Date Reviewed

Signature - Title

Drug and Alcohol Policy

JcrOffroad Inc., is committed to safety in the workplace and employee health and well-being. Consistent with the spirit and intent of this commitment, JCR has developed this policy regarding the sale, use, possession, or distribution of controlled substances, or other drugs that may affect performance. The purpose of the following is to set forth an overview of JCR policy. This policy applies to all employees of JCR whether hourly or salaried, permanent or temporary, rank and file, supervisory, or management.

The use, manufacture, distribution, dispensation, possession, transportation, promotion or sale of a controlled substance by any employee while on JCR business or on JCR premises are absolutely prohibited. JCR prohibits any employee from being at work under the influence of a controlled substances or alcohol. Violation of these rules by an employee while on JCR business or premises will be cause for immediate discipline up to and including termination without prior warning, while some offenses may warrant an immediate termination. All second offenses under this policy will result in automatic discharge of the employee.

Controlled substances shall not be kept anywhere on JCR property except in compliance with a valid prescription use as directed by a physician. Employees have no right to privacy with respect to JCR property, JCR maintains the right to inspect anything found on JCR property for the purpose of enforcing this policy.

"Under the influence" as used in this policy, means a positive test result of any controlled substance or .05% blood alcohol content. This also includes any obvious impairment of any employee due to the use of a controlled substance or alcohol. All new hires will be screened for controlled substances and alcohol after an offer of employment has been extended but prior to the actual rendering of any services. Employees will also be tested for reasonable suspicion of a violation of this policy, which may include but not be limited to, worker compensation or OSHA reportable incident, any lost-time workplace accident, and where there is objective evidence of a possible violation of this policy.

Employees who test positive will at a minimum, be immediately removed from the premises, without pay, and required to undergo counseling and/or treatment at a licensed facility or with a licensed provider, Any employee who has tested positive under this policy will be subject to random and unannounced drug and/or alcohol screens for an additional twelve months following his or her return to work, if any. All convictions for drug and alcohol-related criminal actions shall be immediately reported to the employee's supervisor. Failure to report a conviction shall result in discipline up to and including discharge.

E-Mail, Internet and Other Electronic Communications Policy

Objective

JCROffroad, Inc. recognizes that use of the Internet and e-mail has many benefits and can make workplace communication more efficient and effective. Therefore, employees are encouraged to use the Internet and e-mail systems appropriately. Unacceptable use of the Internet and e-mail can place JCROffroad, Inc. and others at risk. This policy outlines the company's guidelines for acceptable use of the Internet and e-mail.

<u>Scope</u>

This policy must be followed in conjunction with other JCROffroad, Inc. policies governing appropriate workplace conduct and behavior. JCROffroad, Inc. complies with all applicable federal, state and local laws as they concern the employer/employee relationship, and nothing contained herein should be construed to violate any of the rights or responsibilities contained in such laws.

Use Guidelines

JCROffroad, Inc. has established the following guidelines for employee use of the company's technology and communications networks, including the Internet and e-mail, in an appropriate, ethical and professional manner.

- 1. All technology provided by JCROffroad, Inc., including computer systems, communications networks, company-related work records and other information stored electronically, is the property of the company and not the employee. In general, use of the company's technology systems and electronic communications should be job-related and not for personal convenience.
- 2. Employees may not use JCROffroad, Inc.'s Internet, e-mail or other electronic communications to transmit, retrieve or store any communications or other content of a defamatory, discriminatory, harassing or pornographic nature. No messages with derogatory or inflammatory remarks about an individual's race, age, disability, religion, national origin, physical attributes or sexual preference may be transmitted. Harassment of any kind is prohibited.
- 3. Disparaging, abusive, profane or offensive language; materials that might adversely or negatively reflect on JCROffroad, Inc. or be contrary to its legitimate business interests; and any illegal activities—including piracy, cracking, extortion, blackmail, copyright infringement and unauthorized access to any computers on the Internet or e-mail—are forbidden.
- 4. Copyrighted materials belonging to entities other than JCROffroad, Inc. may not be transmitted by employees on the company's network without permission of the copyright holder. Employees must respect all copyrights and may not copy, retrieve, modify or forward copyrighted materials, except with permission or as a single copy for reference only. Saving copyright-protected information to a network drive without permission is prohibited. Sharing the URL (uniform resource locator or "address") of an Internet site with other interested persons for business reasons is permitted.
- 5. Employees may not use the system in a way that disrupts its use by others. This includes sending or receiving excessive numbers of large files and "spamming" (sending e-mail to thousands of users.)
- 6. To prevent contamination of JCROffroad, Inc. technology and communications equipment and systems by harmful computer viruses, downloaded files should be checked for possible infection through the IT department. Also, given that many browser add-on packages (called "plug-ins") may not be compatible with other programs and may cause problems for the systems, downloading plug-ins is prohibited without prior permission from IT.
- 7. Every employee of JCROffroad, Inc. is responsible for the content of all text, audio or image files that he or she places or sends over the company's Internet and e-mail systems. No e-mail or other electronic communications may be sent that hide the identity of the sender or represent the sender as someone else. JCROffroad, Inc.'s corporate identity is attached to all outgoing e-mail communications, which should reflect corporate values and appropriate workplace language and conduct.
- 8. E-mail and other electronic communications transmitted by JCROffroad, Inc. equipment, systems and networks are not private or confidential, and they are the property of the company. Therefore, JCROffroad, Inc. reserves the right to examine, monitor and regulate e-mail and other electronic communications, directories, files and all other content, including Internet use, transmitted by or stored in its technology systems, whether onsite or offsite.
- 9. Internal and external e-mail, voice mail, and text messages are considered business records and may be subject to discovery in the event of litigation. Employees must be aware of this possibility when communicating electronically within and outside the company.

JCROffroad Inc.'s Right to Monitor and Consequences for Misuse

All company-supplied technology, including computer systems, equipment and company-related work records, belongs to JCROffroad, Inc. and not to the employee user. Employees understand the company routinely monitors use patterns, and employees should observe appropriate workplace discretion in their use and maintenance of such company property.

Because all the computer systems and software, as well as e-mail and Internet connections, are the property of JCROffroad, Inc., all company policies apply to their use and are in effect at all times. Any employee who abuses the company-provided access to e-mail, the Internet, or other electronic communications or networks, including social media, may be denied future access, and, if appropriate, be subject to disciplinary action up to and including termination, within the limitations of any applicable federal, state or local laws.

Questions Regarding the Use of JCROffroad Inc. Technology

If you have questions regarding the appropriate use of JCROffroad, Inc. electronic communications equipment or systems, including e-mail and the Internet, please contact your supervisor, manager or the IT department.

Company Vehicles and Drivers Policy

JCR vehicles are to be driven only by employees selected by management. Motor vehicle driving records will be obtained for those selected and only those with good driving records (4 points or less) will be authorized to drive company vehicles. The company vehicles are for use while doing business only, unless authorized by owners.

The practice of safe driving is expected of each driver. Be sure to report any safety concerns immediately.

Privacy Policy

JcrOffroad, Inc. is committed to protecting your privacy, and has instituted the following procedures to:

- Access to employee files containing confidential information (ie: payroll records, medical data, etc) is restricted to only those persons required to have access in order to perform their jobs.
- Any person, other than the employee, requesting information considered to be confidential must first secure the permission of the employee involved, except where otherwise required by law.
- Personnel records shall only contain confidential information relevant to the employment of JCR personnel unless specifically authorized or requested by the employee.
- Verbal requests for information (verification of employment) shall not be honored; written requests must contain the authorization of the employee involved regardless of employment status (current, former or pending). Responses to written requests not containing employee authorization shall be limited to verifying dates of employment.
- All employees have the right to review their personnel file, and to obtain copies of documents contained therein.
- Release of confidential personal information by any employee of JcrOffroad, Inc. is strictly prohibited, and shall be considered grounds for disciplinary action, up to and including discharge.
- Any questions regarding the content or accuracy of information maintained by JcrOffroad, Inc. should be directed to an owner for review.

Arbitration Agreement and Procedure

Any controversy or claim arising out of the employment relationship or termination of the employment relationship (including any claim of discrimination) shall be settled solely by arbitration in the County of Kalamazoo in the State of Michigan and in accordance with the rules of the American Arbitration Association. The decision of the Arbitrator shall be final and binding and neither party shall have any right of appeal.

Judgment upon the award rendered by the Arbitrator may be entered in the Circuit Court for the County of Kalamazoo the demand for arbitration must be submitted, in writing, to both the other party and the American Arbitration Association at http://www.adr.org. The American Arbitration Association must receive the demand within one (1) year after the alleged violation, misconduct or incident of harassment or discrimination occurred. Failure to file the demand within one (1) year time period shall constitute a full and complete waiver of the claim and shall constitute a full and complete waiver of any right to compensation, benefits or damages If the written demand is not filed within the one (1) year time limit, and it is forever barred.

The party seeking arbitration of the dispute shall bear all of the fees and expenses of filing the claim with the American Arbitration Association. The parties shall bear their own costs and attorneys fees except that the company shall pay the costs of any arbitrator's fees and expenses The Arbitrator shall have the authority to award costs and fees to the prevailing party.

Arbitration Agreement

I have received a copy of the JcrOffroad Inc., Employee Manual, including the Arbitration Agreement and Procedure. I have read the Arbitration Agreement and Procedure and understand and voluntarily agree to submit any controversy or claim concerning my employment to binding arbitration.

Signature (Employee)

Date

Name (Employee)

Signature (Supervisor)

Date

Name (Supervisor)

Verification Statement

The language contained in this JcrOffroad, Inc., Employee Handbook is presented as a matter of information only, so as to improve communication within JCR. Besides the arbitration agreement, it is not to be perceived as a contract of any kind. I understand that portions of this handbook will be reviewed periodically by JCR and that JCR reserves the right to unilaterally alter, amend, modify or terminate any benefit or provisions contained within this handbook at any time.

No one, except those given authority by the Board of Directors of JCR, can alter or change, verbally or otherwise, any of the provisions contained in this handbook. All changes will be in writing and will be forwarded to the employees, so that their handbook can be kept current.

Employee Acknowledgement

I HAVE RECEIVED AND REVIEWED JCROFFROAD, INC. , E-MAIL, INTERNET AND OTHER ELECTRONIC COMMUNICATIONS POLICY AS A CONDITION OF MY EMPLOYMENT. I AGREE TO ABIDE BY THE TERMS AND CONDITIONS OF THAT POLICY.

I HAVE RECEIVED AND REVIEWED THE COMPANY VEHICLES & DRIVERS POLICY AS A CONDITION OF MY EMPLOYMENT, I AGREE TO ABIDE BY THE TERMS AND CONDITIONS OF THAT POLICY.

I HAVE RECEIVED AND REVIEWED THE COMPANY PRIVACY POLICY AS ACONDITION OF MY EMPLOYMENT, IAGREE TO ABIDE BY THE TERMS AND CONDITIONS OF THAT POLICY.

I HAVE RECEIVED AND REVIEWED JCROFFROAD, INC. DRUG AND ALCOHOL POLICY AS A CONDITION OF MY EMPLOYMENT, IAGREE TO ABIDE BY THE TERMS AND CONDITIONS OF THAT POLICY.

I have received a copy of the JcrOffroad Inc., Employee Handbook.

Signature (Employee)

Name (Employee)

A copy of this form will be kept in the employee's personnel file. Please keep the original for your records.

INITIAL ____

INITIAL _____

INITIAL

INITIAL

Date