

Dear Fellow Employee:

CUMBERLAND FORD MOTOR, INC. is proud of its many accomplishments since founding on February 2, 2009, and of the people who make it a successful organization and a great place to work.

To our current employees, your dedication and acceptance of responsibilities have enabled CUMBERLAND FORD MOTOR, INC. to continue to build a fine record.

To those of you who are new to CUMBERLAND FORD MOTOR, INC., I extend a warm welcome. Whatever your department or your job description may be, your performance will contribute to the overall success of the Dealership.

This handbook describes some of your responsibilities as an employee of CUMBERLAND FORD MOTOR, INC. and outlines our policies, programs, and benefits. You should become familiar with the contents of the Employee Handbook; it will answer many of your questions concerning employment at CUMBERLAND FORD MOTOR, INC.

I hope your employment with CUMBERLAND FORD MOTOR, INC. will be challenging, enjoyable, and rewarding.

Sincerely,



Terry Lee

President and CEO

CUSTOMER RELATIONS

OUR CUSTOMERS ARE THE MOST IMPORTANT PEOPLE IN OUR BUSINESS. ALL OF OUR EFFORTS SHOULD FOCUS ON CUSTOMER SATISFACTION. EMPLOYEES SHOULD ALWAYS PROJECT AN IMAGE OF ENTHUSIASM, DEALERSHIP PRIDE, COURTESY, AND MOST OF ALL, APPRECIATION. OUR BUSINESS CAN SUCCEED ONLY IF WE SATISFY OUR CUSTOMERS.

IF YOU ARE UNABLE TO SATISFY A CUSTOMER, PLEASE REQUEST A SUPERVISOR'S ASSISTANCE.

NEVER ARGUE WITH A CUSTOMER, REGARDLESS OF THE INDIVIDUALS BEHAVIOR.

NEW HIRE REQUIRED FORMS

A NEW HIRE Packet will be provided with the following required forms:

1. Handbook. Must be signed and dated.
2. Form W-4. This form must be completely filled out and signed.
3. Form I-9. This form must be completely filled out and signed.
4. Proof of Residency. List is provided of acceptable forms of identification.
5. New Hire Reporting. This form must be completely filled out and signed.
6. Every employee must have an email address for communication and payroll administration. **NO EMPLOYEE WILL BE ADDED TO PAYROLL WITHOUT A VALID EMAIL ADDRESS.**
7. Automatic Deposit Information. Provide bank routing number and checking account number; OR savings account number; OR if using a cash card, we must have the correct account number (the account number is NOT the number on the card, you can get the correct account number wherever you purchased the cash card) *******PAYROLL DEPARTMENT MUST HAVE ALL INFORMATION IN THE OFFICE MINIMUM OF 2 DAYS BEFORE PAYROLL, IF NOT, CHECKS WILL BE ISSUED THE FOLLOWING PAY PERIOD.**
8. Check stubs and W2's will only be available online at: workforce.intuit.com

PERSONAL INFORMATION

Due to government regulations and general business demands, we are required to maintain certain personal information on each employee. We ask that you notify the Personnel Office if there is a change in:

1. Address and/or telephone number
 2. Marital status
 3. Legal Name
 4. Dependents or beneficiary listed on insurance policy
 5. Number of dependents for tax withholding
 6. Person to notify in emergency
 7. Licensed driving privileges (suspension, revocation or restrictions)
 8. Medical conditions which may affect work performance
 9. Educational or professional achievement
- **THIS INFORMATION WILL BE HELD IN STRICT CONFIDENCE.**

INTRODUCTORY PERIOD

Each new employee of the company is hired on a 3-month trial basis. This policy gives the employee time to evaluate employment at the dealership as well as gives the dealership time to appraise you as an

employee in the position for which you were hired. During this period, you should learn the requirements of the job, demonstrate your ability to meet these requirements and become familiar with the policies and procedures. You should promptly discuss any questions about your work or about policies and procedures with your supervisor. At the end of this trial period, you and your supervisor will make an evaluation of your work and recommend your status. Unless the dealership feels that you are not suited for the job or feels that the probation period should be extended for an additional period, you will be considered on regular employee status. Employees who do not receive a satisfactory evaluation and endorsement may be given, if the circumstances warrant, additional time in 30-day increments to demonstrate their ability to successfully do the job. If an employee's performance has been unsatisfactory during the probationary period, their employment may be terminated without notice.

Warnings to employees are documented as well as any disciplinary action that would be necessary. However, disciplinary action may take place even though an individual has no previous warning or disciplinary action on record. Continued employment is at the pleasure of the dealership, with terminations possible with or without reasons at any time. At all times, including after successful completion of the introductory period, employment with the dealership is considered to be at will, and the employment relationship may be terminated at any time for any lawful reason by either party.

WORKING HOURS

Hours of work vary by department and by position. Your supervisor will provide you with your specific work schedule including breaks and/or meal periods.

Your work schedule may be changed from time to time, as needed, to meet the needs of our business and our customers. Your supervisor will advise you of any schedule changes.

BULLETIN BOARDS

A company bulletin board will display all "required by law" documents under federal and state laws. Bulletin board will also be used to post in-house job openings or notices of dealership-sponsored events.

EMPLOYEE CONDUCT

CUMBERLAND FORD MOTOR, INC. makes an effort to treat all employees equitably and to administer procedures consistently. When performance is unsatisfactory, or when employees violate policies and procedures, disciplinary action may be taken. Examples of disciplinary action include but are not limited to verbal warnings, written warnings, suspension, and termination of employment. The nature of the disciplinary action will depend upon the circumstances of the particular problem or violation.

CUMBERLAND FORD MOTOR, INC., specifically reserves the right to discipline an employee as it seems appropriate, including termination of employment.

EMPLOYEE LOUNGE

An employee lounge is provided for your convenience. You may use the lounge for your meal and/or break periods. Please keep the lounge neat and clean. Eating is prohibited in the showroom, customer lounge, conference room (located next to the General Managers office) and any other customer area.

PARKING

You may use the employee parking area at your own risk, and you should keep your vehicle locked. CUMBERLAND FORD MOTOR, INC., assumes **NO** liability for any damages to or theft of employee vehicles or personal property.

PERSONAL USE OF TELEPHONE/PERSONAL MAIL/PERSONAL VISITS

During work hours, we are committed to completing our work duties with as few interruptions as possible. Personal telephone calls, social visits, and the receipt of personal mail detracts from your ability to accomplish goals. We will contact you if you receive an emergency telephone call and take messages for you in non-emergency situations, provided they do not prove to be repetitive. Social visits should be scheduled during breaks. Employees are not allowed to receive mail at work.

SECURITY

The physical security of the dealership as well as the safety of our employees is important. All dealership property that can be secured with a lock, such as equipment, doors, files, desks and gates should be locked when not in use. At the end of each day, **all locks should be secured.**

Dealership vehicles and customer vehicles in for service should be locked. Report lost keys to the supervisor.

NO GUNS on site. Vehicles are subject to search at any time.

Dealership security is critical. Employees are not to share any security information that has been given to them by the dealership, i.e. Keys, Alarm Codes, etc.

Managers are expected to test Security System at least twice a month. This is to ensure they are working properly.

ACCIDENT REPORTING

When an employee or a customer gets hurt on dealership property, an **ACCIDENT INCIDENT REPORT or EMPLOYEE INCIDENT REPORT (DEPENDING UPON SITUATION) MUST BE FILLED OUT. NO MATTER IF IT'S A ROBBERY OR AN INJURY TO A CUSTOMER OR EMPLOYEE (WHETHER THE CUSTOMER OR EMPLOYEE REFUSES TO GO TO THE HOSPITAL). A COPY OF THAT REPORT MUST BE SENT TO THE OFFICE OF THE GENERAL MANAGER AND OFFICE MANAGER TO BE KEPT IN THEIR FILES.** The General Manager or Office Manager will call the insurance company **ASAP** and tell the insurance company what has happened. **ALSO, IF POSSIBLE, GET THIS ON A DISC OR JUMP DRIVE FROM YOUR SECURITY CAMERA.**

EMPLOYEE SUGGESTIONS

We always welcome suggestions on how we can improve our efficiency and productivity. If you have suggestions, please let us know. Such suggestions may save the company money and/or time.

EQUAL EMPLOYMENT OPPORTUNITY

CUMBERLAND FORD MOTOR, INC. is an equal opportunity employer and does not discriminate against any employee or applicant because of race, religion, age, sex, national origin, disability or in any other manner that violates the law.

PERSONAL RECORDS

Confidential personnel files and records, including medical information, are maintained for each employee and are the property of the dealership. Such confidentiality will be maintained in accordance with applicable legal and medical requirements.

Information contained in your personnel file will not be released to external sources unless clear, written permission to release specific information is obtained from you. With the approval of the Office Manager, management employees who have an employment-related "need to know" may inspect an employee's file.

EMPLOYMENT CATEGORIES

Full-time employees are scheduled to work 40 hours weekly. Regular full-time employees are eligible for benefits subject to the terms, conditions, and limitations of each benefit plan.

Part-time employees are not to work more than 28 hours a week. Part-time employees are not eligible for employee benefits.

JOB DESCRIPTIONS

All job descriptions will be left up to department supervisors.

MOTOR VEHICLE RECORD INQUIRY

In order to operate vehicles for CUMBERLAND FORD MOTOR, INC. you are required to have a current driver's license, an acceptable driving record and must be 19 years or older. If at any time during your employment you lose your driving privileges and your job requires you to operate a vehicle, you must report that loss to your supervisor immediately.

PROMOTIONS

CUMBERLAND FORD MOTOR, INC. attempts to fill vacancies through promotions from within whenever possible, however, CUMBERLAND FORD MOTOR, INC. reserves the right to fill vacancies from outside the dealership and without internal posting when it deems such action is necessary.

WORK REFERENCES

All requests for references should be directed to the Office Manager. This is the only person at CUMBERLAND FORD MOTOR, INC., who is authorized to provide such information.

TERMINATION OF EMPLOYMENT

Employment at CUMBERLAND FORD MOTOR, INC., may be terminated for reasons of discharge, resignation, retirement, or reduction in the work force. Absent a written employment contract, CUMBERLAND FORD MOTOR, INC., employees are free to resign at any time and for any reason, and CUMBERLAND FORD MOTOR, INC. reserves the right to discharge employees at any time and for any reason.

If you voluntarily resign, you are asked to give your supervisor written notice at least two weeks before the last day of employment.

Upon termination or resignation, all unused sick days and/or vacation days are relinquished.

It is the employee's responsibility when he/she leaves the company to make sure the correct address is turned into payroll by December 31st of the same year in order for the employee to receive their W-2.

EXIT INTERVIEW

A terminating employee generally will be scheduled for an exit interview with the General Manager and may also request an exit interview with his or her supervisor. The exit interview provides an opportunity for discussion of benefits coverage and continuation rights, repayment of outstanding debts and the return of CUMBERLAND FORD MOTOR, INC. property.

RETURN OF PROPERTY

You are responsible for all CUMBERLAND FORD MOTOR, INC. property and materials, including credit cards, keys, uniforms, tools, manuals, and other written information issued to you. You must immediately return all CUMBERLAND FORD MOTOR, INC., property in your possession or control at termination of your employment or at CUMBERLAND FORD MOTOR, INC. request.

GENERAL POLICIES

PUNCTUALITY AND ATTENDANCE

To maintain a productive workforce, CUMBERLAND FORD MOTOR, INC., expects employees to be reliable and punctual in reporting to work. When you cannot avoid being late to work, must be away from work for part of the day or are unable to work as scheduled due to unexpected illnesses or other unavoidable reasons, you must notify your supervisor within fifteen minutes of your scheduled reporting time.

If you need to leave work for any reason, you must notify your supervisor before you leave the building. Failure to call in or report for work for three consecutive days will be considered a voluntary resignation.

PERSONAL APPEARANCE

Proper dress and good grooming contribute to the morale of all employees and affect the business image we present to our customers and the community. You are expected to maintain a high standard of grooming and to present a professional, businesslike appearance consistent with the duties and responsibilities of your position. Managers, Department Supervisors, Sales and ANY employee who has routine contact with the general public will wear kakis pants, dress slacks or dress jeans (darker jeans not faded) and a collared shirt. No T-shirts, patched or holey blue jeans or short pants will be allowed under any circumstances. No employee dealing routinely with the public wears a hat or visor of any kind. Employees dealing with customers should always dress professionally as you represent the dealership.

Employees in certain departments and positions will be issued and required to wear and maintain uniforms. Uniforms remain the property of CUMBERLAND FORD MOTOR, INC., and must be returned upon leaving the dealership.

LEGAL COMPLIANCE

CUMBERLAND FORD MOTOR, INC., complies with all state and federal laws, impacting the way we conduct our business. As an employee of CUMBERLAND FORD MOTOR, INC., you agree to adhere to this dealership standard. Your supervisor will inform you of the laws impacting specific jobs and will instruct you regarding compliance requirements and procedures. Some regulated areas include but are not limited to the following:

Consumer Protection

Cash Reporting and Money Laundering

Vehicle Tampering (emissions and safety)

Odometer Fraud

Disclosure (used car rule, credit and leasing practices, damage disclosure, etc.)

ENVIRONMENTAL COMPLIANCE

CUMBERLAND FORD MOTOR, INC., complies with all state and federal regulations protecting our environment. As an employee of CUMBERLAND FORD MOTOR, INC., you agree to adhere to this dealership standard. Your supervisor will inform you of the laws impacting your specific job and will instruct you regarding compliance procedures.

These areas of regulation include but are not limited to the following:

Hazardous Materials Management

Emissions Inspection and Tampering

CFC Recycling

Tank Management

Waste Water Management

CONFLICT OF INTEREST

Employees must avoid conflicts of interest. You have a conflict of interest if you place yourself in a position where your private interests may have an adverse effect on your motivation or the proper performance of your job, or when your action results in direct or indirect detriment to CUMBERLAND FORD MOTOR, INC. or its customers.

Use of dealership funds for improper purposes and dishonest practices is absolutely forbidden. You are required to disqualify yourself from exerting influence in any transaction where your own interests may conflict with the interests of the dealership or where you may gain any financial benefit. Report in writing to the General Manager any financial interest you or any member of your family may have with any individual or party doing business with the dealership.

No immediate family member, immediate family member will be defined as "Up to second cousin," shall be employed nor be a vendor or third-party provider of the company, without the express written permission of the majority shareholder of the company, Terry Lee. **Expressed written permission NOT verbal.**

GIFTS

You should not accept any gift or gratuity from any customer, vendor or supplier that may be construed as payment or an obligation to do business with that individual or company.

OUTSIDE EMPLOYMENT

CUMBERLAND FORD MOTOR, INC., expects you to devote your full attention and energy to your job. If you elect to engage in employment outside of the dealership, it may not conflict or interfere in any way with your job at the dealership. In addition, no outside business may be conducted during paid working time. CUMBERLAND FORD MOTOR, INC., requires that you submit a written request to your supervisor for approval prior to commencing outside employment.

NONDISCLOSURE OF INFORMATION

As a part of your employment with CUMBERLAND FORD MOTOR, INC., you may have access to confidential and/or proprietary information and records. Confidential information includes but is not limited to data processing and computer programs and operations; financial information; list of actual and prospective customers; dealer or customer purchase prices; and personnel information and data.

You are prohibited from using, copying or disclosing such confidential information to any other person, employee, firm, corporation, dealership or other entity, either during or subsequent to your employment, no exceptions unless authorized in writing by the Office Manager.

CUSTOMER RELATIONS

At CUMBERLAND FORD MOTOR, INC., we recognize that each instance of customer relations and increase in our repeat and referral business. As part of the CUMBERLAND FORD MOTOR, INC. team, you should always respond to customer concerns promptly, courteously and professionally. Remember that courtesy on the telephone is just as important as courtesy in the store. CUMBERLAND FORD MOTOR, INC. preferred response to telephone calls is, "Good morning (or evening)."

CUSTOMER VEHICLES

Only authorized employees may operate customer-owned vehicles. **(SEE MOTOR VEHICLE INQUIRY)** When customers leave their vehicles with us, we are responsible for their care and treatment. They should be moved only for test-driving, appraisal, or repair. Eating or smoking in customer vehicles is strictly prohibited. If you must adjust customer settings on any accessories in order to perform your job, be sure to return them to their original settings when you have finished. Customer vehicles are not to be used for personal use.

DEALERSHIP VEHICLES

Only authorized employees may operate dealership-owned vehicles. **(SEE MOTOR VEHICLE INQUIRY)** If you drive dealership-owned vehicle, you should exercise care and caution. You are personally responsible not only keep the vehicle clean (Interior and Exterior) at all times but also to have it available on the lot for a potential customer. Dealership-owned vehicles are not intended for personal use.

If a vehicular accident occurs and a dealership vehicle or customer vehicle is damaged due to your negligence, you will be liable for the current deductible charge.

TOOLS AND EQUIPMENT

Power tools and diagnostic equipment are very expensive and can be used by all technicians and should always be returned to the proper place. All service technicians will furnish their own tool kits.

You are responsible for the proper maintenance and handling of all tools and equipment.

CONCERNS AND COMPLAINTS

You are encouraged to bring concerns or complaints about work-related situations to the attention of your supervisor or General Manager. Every effort will be made to resolve problems fairly, equitably and promptly.

HARASSMENT

Employees may not physically, psychologically, and/or verbally harass another individual. Harassment is disruptive and can interfere with business. Such actions create an intimidating or offensive environment and reduce productivity. Harassment Policy also applies to ALL social media as this will reflect on your workplace attitudes and relationship including the ability to perform work task effectively.

SOCIAL MEDIA

The Company respects the rights of employees to use social media as a medium of self-expression on non-working time. Employees must not disclose trade secrets or any information that is proprietary to the Company (non-public business methods and know-how, systems, training materials and instructions for carrying out the company's business, financial and marketing strategies, and plans) in any discussions or postings that take place in this format. An employee must not represent his/her opinions or statements as being those of the Company and must expressly state that his/her postings are "my own and do not represent the company's positions, strategies, or opinions." You are prohibited from posting or displaying comments about employees, customers, guests, affiliates and competitors that are vulgar, obscene, maliciously false, threatening, intimidating, harassing or that are in violation of the company's workplace policies against discrimination, harassment, or hostility based on race, color, sex (including pregnancy), religion, national origin, age, disability, genetic information, sexual orientation, veteran and uniformed services status, or any other status protected by law. Accordingly, harassing comments, obscenities or similar conduct that would violate Company policies is discouraged in general and is never allowed while using Company equipment or during your working time.

All employees are expected to know and follow this policy. Nothing in this policy is designed to interfere with, restrain, or prevent employee communication regarding wages, hours, or other terms and conditions of employment, as employees have the right to engage in or refrain from such activities. If you have any questions regarding this policy, it is recommended that you ask your supervisor or Human Resources Representative before acting.

Because this is a constantly evolving area, this policy applies to all current and future social media platforms.

SEXUAL HARASSMENT AND ANTI-HARASSMENT POLICY

CUMBERLAND FORD MOTOR, INC. is committed to providing a professional, respectful, and safe workplace free from sexual harassment and other unlawful harassment. Harassment will not be tolerated from or toward any employee, supervisor, manager, owner, applicant, customer, vendor, contractor or other person with whom employees interact in connection with their work.

This policy applies to conduct occurring in the workplace and, when connected to work, at business trips, company events, work-related social activities, electronic communications, and other work-related settings.

PROHIBITED SEXUAL HARASSMENT: Sexual harassment is unwelcome conduct of a sexual nature or conduct directed at a person because of sex, sexual orientation, gender identity, pregnancy, childbirth, or related medical conditions.

Examples of prohibited conduct may include, but are not limited to:

- ❖ Unwelcome sexual advances or requests for sexual favors.
- ❖ Unwanted touching, physical contact, or blocking someone's movement.
- ❖ Sexual jokes, comments, gestures, or conversations.
- ❖ Comments about a person's body, appearance, sexual activity, or sexual attractiveness.
- ❖ Displaying, sending, forwarding, or sharing sexually explicit or offensive images, messages, videos, or materials.
- ❖ Repeated requests for dates or sexual attention after a person has indicated that the attention is unwelcome.
- ❖ Sexual comments or conduct through text messages, email, social media, or other electronic communications when connected to the workplace.
- ❖ Conditioning a job, promotion, favorable treatment, scheduling, compensation, or other employment benefit on submission to sexual conduct.
- ❖ Threatening or taking adverse employment action because someone rejected sexual conduct or reported harassment.
- ❖ Other unwelcome conduct that is sexual in nature or directed at an individual because of sex.

Cumberland Ford Motor, INC. also prohibits other forms of unlawful harassment and discrimination protected by applicable federal, state and local law.

CONDUCT DOES NOT HAVE TO BE PHYSICAL: Harassment can be verbal, physical, visual, written, or electronic. Employees should report inappropriate conduct even if they are unsure whether it legally constitutes harassment.

Employees are not required to determine whether conduct violates the law before reporting it.

REPORTING HARASSMENT: Employees are encouraged to report concerns as soon as possible. An employee does not have to confront the person whose conduct is unwelcome before making a report.

A complaint may be made to any of the following:

- ❖ Immediate Supervisor
- ❖ Company Owner/Manager
- ❖ Human Resources/Designated Contact:
- ❖ Alternate Contact

Employees may report harassment to any manager or designated company contact if they are uncomfortable reporting to their immediate supervisor or if the supervisor is involved in the conduct.

Reports may be made verbally or in writing. Employees should provide as much information as reasonable possible, including what happened, when and where it occurred, who was involved, and the names of any witnesses or other relevant information.

Employees who witness harassment or become aware of conduct that may violate this policy are encouraged to report it to management.

NO RETALIATION: Retaliation is strictly prohibited. Cumberland Ford Motor, INC. will not retaliate against, or permit retaliation against, any employee who:

- ❖ Reports harassment or discrimination in good faith
- ❖ Participates in an investigation
- ❖ Provides information or serves as a witness
- ❖ Opposes conduct the employee reasonable believes is unlawful
- ❖ Exercises any rights protected by applicable law

Retaliation may include termination, demotion, reduction in hours, undesirable assignments, threats, intimidation, exclusion, or other adverse treatment because an employee made a complaint or participated in an investigation.

Anyone who believes they have experienced retaliation should report it immediately using the reporting procedure above.

INVESTIGATION: Cumberland Ford Motor, INC. will take reports of harassment seriously and will conduct a prompt, appropriate, and impartial investigation when warranted.

Depending on the circumstances, the investigation may include interviewing the person who made the report, the person accused of misconduct, witnesses and reviewing relevance documents, messages, emails, photographs or other information.

Employees are expected to cooperate honestly in investigations.

Cumberland Ford Motor, INC. will make reasonable efforts to maintain confidentiality and limit information about a complaint to those who have a legitimate need to know. However, absolute confidentiality cannot be guaranteed.

CORRECTIVE ACTION: If Cumberland Ford Motor, INC. determines that this policy has been violated, it will take appropriate corrective action based on the circumstances.

Corrective action may include counseling, training, a written warning, changes in working arrangements, suspension, termination of employment, or other appropriate measures.

Cumberland Ford Motor, INC. may also take appropriate action when conduct does not meet the legal definition of harassment but nevertheless violates the company's standards of professional and respectful conduct.

FALSE OR BAD-FAITH COMPLAINTS: Cumberland Ford Motor, INC. expects employees to make reports honestly and in good faith.

An employee will not be disciplined simply because a complaint is not substantiated. However, knowingly making a false accusation or intentionally providing false information during an investigation may result in disciplinary action.

MANAGEMENT RESPONSIBILITIES: Managers and supervisors who receive a complaint or become aware of possible harassment must promptly notify the General Manager and should not attempt to conduct their own investigation unless specifically authorized to do so.

Managers and supervisors are expected to take concerns seriously, avoid retaliation, preserve relevant information and cooperate with company investigations.

NO WAIVER OF LEGAL RIGHTS: Nothing in this policy prevents an employee from reporting conduct to or communicating with a government agency, filing a charge or complaint, participating in an investigation, or exercising any other rights protected by applicable law.

Employees may have rights and remedies under federal, state, or local law in addition to the company's internal complaint process.

The company may revise this policy from time to time to comply with changes in applicable law and to promote a respected workplace.

SUBSTANCE ABUSE

CUMBERLAND FORD MOTOR, INC., is committed to maintaining a workplace that is free from the effects of drug and alcohol abuse.

CUMBERLAND FORD MOTOR, INC. strictly prohibits the use, possession, manufacture, distribution, dispensation or sale of illegal drugs, drug paraphernalia, controlled substances, unauthorized prescription drugs, or alcohol on dealership premises or in dealership vehicles or during working hours. In addition, any drug or alcohol activity that adversely affects job performance or job safety or that discredits the dealership is prohibited.

DRUG TESTING POLICY

PRE-EMPLOYMENT: All prospective employees are subject to undertake a pre-employment urine drug screen test. Any offer or acceptance of employment is contingent upon the successful completion of the controlled substance test with negative results. No one shall be permitted to begin work until the results of the test have been obtained.

RANDOM: An unannounced breath alcohol and urine drug screen test given to a predetermined percentage of employees who perform safety-sensitive functions. This selection process will be conducted by the Company's Program Administrator contracted services. The selection process will be objective and anonymous and shall include safeguards to ensure that the identity of the individual

selected cannot be determined prior to or at the time of the selection. Thus, it is possible that one employee can be tested several times while another employee will not be tested at all.

POST ACCIDENT: Employees whose performance either contributed to an accident or cannot be completely discounted as a contributing factor to the accident will be tested.

REASONABLE SUSPICION: Any employee who has given a supervisor reasonable suspicion to believe that the employee is under the influence of a controlled substance or alcohol shall submit to a test.

CONFIDENTIALITY: Each individual's record of testing and results under this policy will be confidential. With the exception of the Program Administrators contacted services, testing laboratory, Medical Review officer and designated personnel employees, or upon request of state agency officials; the results of individual drug test will not be released to anyone without the expressed written authorization of the individual tested. All written records will be stored in locked containers or in secure location with access available only by the designated company officials. Unless an employee gives his or her written consent, the employees alcohol/drug testing records will not be released to a subsequent employer.

SMOKING

In keeping with the dealerships intent to provide a safe and healthy work environment, smoking is prohibited throughout the dealership.

SERIOUS ILLNESS OR DISEASE

CUMBERLAND FORD MOTOR, INC., is committed to maintaining a healthy and safe work environment for all employees. Employees with long-term, life-threatening, infectious diseases or illnesses may work as long as they are able to satisfactorily perform the essential duties of their jobs and medical evidence indicated that their continued employment does not present a significant health or safety threat to themselves and/or other employees.

SEVERE WEATHER

Severe weather conditions can disrupt dealership operations and interfere with work schedules, as well as endanger employees' well-being. If extreme weather conditions require closing the dealership, you will be notified by your supervisor. If weather or traveling conditions delay or prevent you from reporting to work, you should notify your supervisor as soon as possible. If you are delayed or unable to report for work at all due to severe weather conditions, and the dealership is officially open, you will be expected to use personal leave, vacation or leave without pay.

TRAVEL/EXPENSE REPORTING

Travel for business purposes must be approved in advance by your supervisor. Reimbursement for travel expenses is contingent upon your submission of a properly completed expense report form, fully documented by accompanying receipts. Expense reports must be submitted within 14 days of the expense incurred.

PAY

CUMBERLAND FORD MOTOR, INC. pay program is designed to attract, retain and reward qualified, capable employees. CUMBERLAND FORD MOTOR, INC., seeks to provide competitive wages and salaries and to treat employees fairly and equitably.

Your rate of pay is confidential and should not be discussed with fellow employees. If you have any questions concerning your pay, consult your supervisor. Specific pay plans will be distributed by your supervisor.

Paychecks and W2's are not sent from the payroll department. You will be able to go online and look at or print out your paystubs and your W2's. Go to the following website to set up your account:
workforce.intuit.com

Follow the instructions. You will need your social security number and your last pay stub amount to set up account. You will also need to answer the security questions.

PAY DAYS AND PAY PERIODS

CUMBERLAND FORD MOTOR, INC., pays employees by direct deposit. The pay period runs from Thursday to Wednesday. Most employees are paid weekly and on Friday. Commission employees are paid monthly.

Report any discrepancies in your paycheck to the Office Manager.

TIMEKEEPING

CUMBERLAND FORD MOTOR, INC., uses a time clock to determine hours worked. If you are non-exempt employee, you must punch in when you arrive at work and punch out when you leave. Without the approval of your department head, you may punch in no earlier than 10 minutes before starting time, all employees must clock out one hour for lunch break, and you may punch out no later than 10 minutes

after your scheduled workday has ended. Each employee is required to punch a time clock and must do it personally.

Every employee is to clock in and out each day through our independent automated time system or manual system. These times are to be submitted with payroll for each payroll period. It is **THE EMPLOYEE'S SOLE RESPONSIBILITY TO CLOCK IN AND OUT PERSONALLY. CLOCKING ANOTHER EMPLOYEE IN WOULD LEAD TO YOUR TERMINATION AND THE EMPLOYEE REQUESTING THAT YOU CLOCK THEM IN WILL ALSO.**

At the beginning and ending of each work shift, employees are required to clock in and clock out via a time system. Writing in time on a timecard or time sheet is **NOT ACCEPTABLE AND IS NOT CONSIDERED PROPER PROCEDURE.** Not clocking in and out properly and/or falsifying hours worked could lead to disciplinary action or termination.

PAY DEDUCTIONS

There are two types of pay deductions: Deductions required by law and deductions that you have authorized. The law requires that regular amounts be deducted from your pay and applied toward payment of your federal, local and state income taxes, if applicable, and to Social Security. CUMBERLAND FORD MOTOR, INC., offers programs and benefits beyond those required by law. You must authorize deductions from your paychecks for the cost of these plans.

OVERTIME

Occasionally you will be called upon to work more than your normal work week, and you may be eligible to receive overtime pay. Your supervisor will provide you with as much advance notice as possible. Overtime for eligible non-exempt employees must be approved in advance by your supervisor. Overtime will be paid to eligible non-exempt employees for time worked in excess of 40 hours per week, at 1-1/2 times your regular rate. Time off with or without pay, including but not limited to holiday, vacation, sick leave, personal leave or leave without pay, will not be counted as hours worked for purposes of calculating overtime. Overtime will normally be paid in the pay period following the period in which it is earned, providing timesheets/cards have been properly prepared, approved and submitted.

PAY INCREASES

CUMBERLAND FORD MOTOR, INC. compensation program is designed to attract, retain and reward talented, capable employees. Periodically, employees will be reviewed for pay increases, which are

awarded solely on the basis of merit. A recommendation to award a pay increase is made by your supervisor and submitted for approval.

PERFORMANCE EVALUATION

A formal evaluation of your job performance will be conducted by your supervisor on a periodic basis. Performance evaluations are conducted to provide both supervisors and employees with the opportunity to discuss job duties, identify and correct weaknesses, encourage and recognize strengths and discuss positive purposeful approaches for meeting department goals. Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal day-to-day basis.

LEAVE POLICY – FULL-TIME EMPLOYEES

CUMBERLAND FORD MOTOR, INC. has holidays, sick/personal leave and vacation to provide opportunities for employees to take a break from the work routine; to handle items of personal business; to observe specially designated days commemorating national or regional events, religious holidays and recover from an illness or injury. Abuse of attendance or leave policies will result in disciplinary actions.

FAMILY MEDICAL LEAVE ACT “FMLA”

Cumberland Ford Motor, Inc. is covered employer under the Family and Medical Leave Act of 1993. FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave in a 12-month period to *eligible* employees for certain family and medical reasons. The 12-month period is a rolling period measured backward from the date of the last leave taken. If no prior family or medical leave was taken, the 12-month period will be measured forward from the beginning of leave. Employees are eligible if they have worked for Cumberland Ford Motor, Inc. for at least 12 months and for at least 1,250 hours during the 12-month period preceding the beginning of the leave. Employees; paid/accrued vacation and sick days will run concurrently with the use of FMLA leave. Employees who are on approved leave of absence may not engage in any form of self-employment or perform work for any other employer during that leave except for military service.

If two or more members of the same family who are entitled to leave under this policy are both employed by the Company, they are together eligible for a combined total of no more than 12 weeks of leave during a 12-month period for the same qualifying event.

When an employee works a part-time schedule or variable hours, the amount of leave to which they are entitled will be determined on a pro-rate or proportional basis. Eligible employees who are scheduled for less than 40 hours a week will receive the number of weeks of leave that is calculated by multiplying their normally scheduled hours by 12 then divided by 40 hours. The 12-month period for leave will be

measured backward from the date the last leave was taken, if applicable, or measured forward from the beginning of leave.

Employees on Family Care Leave of 12 weeks or less will be required to use accrued vacation days starting at the beginning of the leave. Paid sick days, with the exception of using the maximum number of Personal Days accrued, may not be used for Family Care Leave.

ELIGIBILITY

When the FMLA applies to the Company, an employee may be eligible for FMLA leave if the employee:

- ❖ Has worked for the Company for at least 12 months
- ❖ Has worked at least 1,250 hours during the 12 months immediately preceding the start of leave
AND
- ❖ Works at a location where the company employs at least 50 employees within 75 miles

The 12 months of employment generally do not have to be consecutive, subject to applicable FMLA rules.

QUALIFYING REASONS FOR LEAVE

An eligible employee may take FMLA leave for qualifying reasons, including:

- ❖ The birth of a child and bonding with the newborn child.
- ❖ The placement of a child with the employee for adoption or foster care and bonding with the child.
- ❖ Caring for the employee's spouse, child, or parent who has serious health condition.
- ❖ The employee's own serious health condition makes the employee unable to perform one or more essential functions of the employee's job.
- ❖ Certain qualifying needs arising from spouse, child or parent being on, or called to, covered active military duty.
- ❖ Caring for a covered servicemember with a serious injury or illness when the employee is an eligible family member or qualifying next of kin.

AMOUNT OF LEAVE

Eligible employees may take up to 12 workweeks of FMLA leave during the applicable 12-month period, except that eligible employees may be entitled to up to 26 workweeks of leave during a single 12-month period for qualifying military caregiver leave.

The company will administer the applicable 12-month period in accordance with FMLA.

PAID LEAVE AND FMLA LEAVE

FMLA leave is generally unpaid. However, employees may be required or permitted, as applicable, to use accrued paid leave concurrently with FMLA leave in accordance with company policy and applicable law.

When paid leave and FMLA runs concurrently, the time will count toward the employee's FMLA entitlement.

INTERMITTENT AND REDUCED-SCHEDULE LEAVE

When permitted by the FMLA, leave may be taken intermittently or on a reduced work schedule when medically necessary or for another qualifying reason recognized by the FMLA.

Employees should work with the company to schedule intermittent or reduced-schedule leave in a manner that minimizes disruption to company operations when the need for leave is foreseeable, and the law permits such scheduling.

NOTICE OF LEAVE

Employees should provide the company with sufficient information to allow the company to determine whether the requested leave may qualify for FMLA protection.

When the need for leave is foreseeable, employees should provide at least 30 days' advance notice when practicable. When 30 days' notice is not practicable, employees should provide notice as soon as reasonably possible.

MEDICAL CERTIFICATION

When permitted by law, the company may require appropriate medical certification supporting a request for FMLA leave because of a serious health condition.

The Company may also require additional certifications or documentation when permitted by the FMLA, including, when applicable, recertification or a fitness for duty certification before an employee returns to work.

Employees are responsible for providing requested documentation within the time allowed by applicable law.

HEALTH INSURANCE BENEFITS

During approved FMLA leave, the company will maintain the employees' group health insurance on the same terms and conditions as if the employee had continued working, subject to applicable law.

Employees remain responsible for their normal share of insurance premiums while on leave.

The company will provide employees with information concerning required premium payments and the consequences of failing to make required payments.

JOB RESTORATION

At the conclusion of qualifying for FMLA leave, eligible employees will generally be restored to the same position or to an equivalent position as required by applicable law.

FMLA leave does not provide greater employment protection than required by law. An employee may not be entitled to restoration if the employee would not otherwise have remained employed for reasons unrelated to taking FMLA leave.

NO RETALIATION

The company will not interfere with, restrain, or deny any employee's lawful rights under the FMLA.

The company will not retaliate against or discriminate against an employee for requesting or taking qualifying FMLA leave or for exercising other rights protected by the FMLA.

QUESTIONS AND REQUESTS FOR LEAVE

Employees who believe they may need FMLA leave should contact human resources.

Employees should provide sufficient information for the company to determine whether the requested leave may qualify for FMLA protection.

The company reserves the right to revise this policy as necessary to remain compliant with changes in federal or state law.

PROCEDURES FOR FMLA LEAVE

Employees must follow specific procedures to request family or medical leave. There procedures are as follows:

1. **Complete the “Family and Medical Leave Request Form”.** Complete this form, sign it, submit it to your supervisor for signature, make a copy of it, and return it to the Personnel Officer. If possible, the form should be submitted 30 days in advance of the effective date of the leave.
2. **Complete an “Insurance Premium Recovery Authorization Form.”** This form certifies that the employee acknowledges the Company’s legal right to recover the cost of any premium paid by it to maintain coverage in group health insurance plan during any period of unpaid leave except under the following conditions:
 - a. The continuation, recurrence, or onset of a serious health condition that entitles the employee to leave to care for a child, parent or spouse with a serious health condition or if the employee is unable to perform the functions of the position due to their own serious health condition.
 - b. Other conditions beyond the employees’ control that prevent them from returning to work.
3. **Have the “Certification of Health Care Provider Form”** completed by your physician or practitioner if requesting leave due to illness. This form may be requested from the Human Resources Department.

VACATION

Vacation is accrued on a weekly basis by full-time employees, after one-year service you will receive 5 vacation days annually. You may not take paid vacation leave until you have accrued the leave. New employees accrue vacation during their first year but may not take leave until their second year of employment.

Salaried and hourly-wage employees will be paid for vacation at their regular rate of pay. Vacation pay for salespeople will be based on their average weekly pay for the previous year.

HOLIDAYS

CUMBERLAND FORD MOTOR, INC., normally observes the following holidays:

New Year’s Day

Independence Day

Thanksgiving Day

Christmas Day

To be eligible for holiday pay, you must work or be on approved paid leave on your normally scheduled workday before and after the holiday. If an employee is absent on one or both of these days because of an illness or injury, CUMBERLAND FORD MOTOR, INC. reserves the right to verify the reason for the absence before approving holiday pay.

MEDICAL AND DENTAL APPOINTMENTS

Whenever possible, you should schedule medical or dental appointments before or after work or, if necessary, at the beginning or end of the business day. If you must take time off from work for such appointments, you may take vacation or personal leave.

BEREAVEMENT

Upon notice to your supervisor or to CUMBERLAND FORD MOTOR, INC., you may be granted up to 3 days unpaid leave for a death in your immediate family. Immediate family includes your spouse, child, stepchild, father, mother, stepparents, sister, stepsister, brother, stepbrother, grandparents or parents-in-law. One day unpaid leave may be granted for the death of a relative other than the immediate family members.

BENEFITS

The following benefit plan descriptions contain highlights and general information. They do not constitute any type of contract concerning the plans. The benefits described are more fully explained in applicable plan documents, insurance contracts and summary plan descriptions. In case of a dispute, if there is a discrepancy between the information in this handbook and the summary plan description or plan documents, the summary plan descriptions or plan documents will govern. CUMBERLAND FORD MOTOR, INC., reserves the right to amend, modify and reduce the benefits provided or terminate any of its plans at any time. Any amendment, modifications, reduction or termination may be made without prior notice to participants except as required by law.

MEDICAL BENEFITS

CUMBERLAND FORD MOTOR, INC., offers medical coverage to full-time employees and their eligible dependents. Full-time employees are eligible to participate in the first of the month following 3 months

of employment. The cost for your coverage is shared by you and the dealership. The cost of dependent coverage is paid in full by you.

DENTAL AND VISION BENEFITS

Dental and Vision coverage is available to CUMBERLAND FORD MOTOR, INC. employees and their eligible dependents.

LEGALLY MANDATED BENEFITS

WORKERS' COMPENSATION

Workers' Compensation insurance provides compensation to replace the percentage of wages lost after a waiting period and payment for eligible medical expenses. The cost of workers' compensation insurance is fully paid by the dealership.

Contact your supervisor or the Office Manager immediately if you are injured on the job or believe that you have developed an occupational disease. In case of severe injury, seek emergency medical care immediately and notify your supervisor as soon as possible.

Drug testing may be required if injured while on the job.

UNEMPLOYMENT INSURANCE

Unemployment insurance provides partial income replacement during periods of short term, involuntarily unemployment. The benefit payment amount and duration of payments are set by legislation. CUMBERLAND FORD MOTOR, INC., makes required contributions to the Federal Government and to the state.

SOCIAL SECURITY

Social Security is a federal program providing elderly, survivors and disability benefits for workers. Contribution amounts are withheld from your pay, along with an equal amount from CUMBERLAND FORD MOTOR, INC., and are forwarded to the Federal Government.

MEDICARE

Medicare is a federal program that provides medical coverage for eligible retirees or disabled workers and their eligible dependents. Employee contribution amounts are withheld from your pay, along with an equal amount from CUMBERLAND FORD MOTOR, INC., and are forwarded to the Federal Government.

STATUS OF BENEFITS AT TERMINATION

If you terminate your employment at CUMBERLAND FORD MOTOR, INC., your benefits are generally cancelled as of your last day of employment. However, as a terminated employee, you may have rights and responsibilities under the employee benefits programs. Health plans are subject to continuation provisions under COBRA. Contact your supervisor for additional information.

The last day you are actively at work will be considered the termination day. Compensation for personal or vacation days is not payable upon termination.

If you leave the dealership, you will be asked to pay off any outstanding debts to the dealership and to turn in any uniforms, tools, keys, training materials or other dealership property. Once dealership management is satisfied that all accounts are clear, a final paycheck will be issued to the employee in accordance with state law.

EMPLOYEE DISCOUNTS

PARTS & SERVICE DISCOUNTS

You may purchase parts for your personal vehicles at cost plus 10%. Service on your personal vehicles is available at our regular customer rate. Written repair orders are required. Payment is by cash or major credit card. Discounts on parts and service are restricted to employees and their personally owned vehicles.

AUTOMOBILE PURCHASES

At CUMBERLAND FORD MOTOR, INC. you may purchase 2 new vehicles per year at dealership employee price on factory invoice on eligible vehicles. On new vehicles with no dealership pricing on factory invoice, will be negotiated by General Manager. If a used car trade is involved, you will have the option of selling it privately or accepting the appraised value at the time of purchase.

All new car purchases have to be titled in your name for one year.

You may purchase 2 used vehicles per year at dealership. Used vehicle prices may be negotiated with the General Manager on an individual basis.