



WELCOME ABOARD!!!

A Little of Our History

McKenzie Foods was established in its original structure in 1965 by Jim Price, Anne McKenzie Goodnight's father. The first 2 restaurants were built in the late 1960s, early 1970s in Lafayette, IN on Elmwood Avenue and Teal Road. Sadly, Jim Price passed away unexpectedly in 1972 while cooking chicken in the Teal Rd. kitchen. He would certainly be proud to know that what he started nearly 50 years ago is still going strong today!

In the early 1980s Anne took over full ownership and operational responsibilities of McKenzie Foods. She started this phase of her life after she had raised her 3 children – Jennifer and twin boys, John and Jim. Anne was up for the challenge and the KFC business thrived under her leadership! A 3rd restaurant was added on SR26 near Interstate 65.

The 1990s brought a great deal of activity for McKenzie Foods! The SR26 restaurant was relocated to its current location – a new restaurant with much more dining and kitchen space was built there by Jim McKenzie. The restaurant on SR26 continues to be our highest volume location at nearly \$1.8 million in annual sales.

In 1991 McKenzie Foods added its fourth restaurant. The location was across the Wabash River in West Lafayette, IN. The new restaurant was built after an existing Dairy Queen building was demolished. Jim and Anne worked together again to build this restaurant.

In the mid-1990s the SR26 and West Lafayette restaurants added Buffets to their menu. This required extensive remodeling at both locations, but added the opportunity for significant sales growth. Neither location disappointed as sales levels grew significantly in years to follow.

Anne continued to manage the 4 locations in the greater Lafayette area – Market Square, Teal Rd., SR 26 and West Lafayette – into the 2000s. Anne was not only a leader of the KFC restaurants, but was also involved in the Lafayette community and Purdue University. An immense amount of goodwill toward KFC was created by Anne and her commitment to the community. McKenzie Foods still realizes the impact of Anne's leadership in the community today.

In 2008 Jim McKenzie became more involved with McKenzie Foods. While Jim had built 2 of the restaurants, he had never been involved in the day to day operation of the business. Jim and Anne developed a plan that eventually would lead to Jim taking over as McKenzie Foods president. McKenzie Foods also built a new store during this time on the fast growing south side of Lafayette. As this new store was opened, the original KFC restaurant location at Market Square would close. Much of the Lafayette market had grown away from Market Square, and the south side location on Veterans Parkway (350 South) offered much more promise. The new restaurant location would offer a Buffet and seat close to 100 customers – a definite upgrade!

With Jim taking over as President, a plan was slowly put in place to grow McKenzie Foods to locations outside Lafayette.

McKenzie Foods has acquired 11 restaurants over the past 5 years. Remington 2011, Rensselaer 2012, Shelbyville 2013 and Auburn, Columbia City and New Castle 2014, Plainfield, Fort Wayne, and Kendallville 2016, 2 Carmel restaurants in 2017, and Anderson, Wabash and Warsaw restaurants in 2019. While buildings, equipment, and assets have been acquired, the real value of all these acquisitions has been people! We have gained awesome employees through each acquisition – team members, cooks, shift leaders, managers etc.... We are excited at what the future holds for us and this iconic brand KFC.

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Section 1. Introduction

1.1. Purpose of this Handbook

The purpose of this handbook is to familiarize you - the employee - with the policies, rules and other key aspects of McKenzie Foods Inc. The information in this handbook supersedes all rules and policies that may previously have been expressed or implied, in both written and oral format. Compliance with this handbook is compulsory for all employees. The Company reserves the right to interpret this handbook's content as it sees fit, and to deviate from policy when it deems necessary.

1.2 Changes of Policy

McKenzie Foods Inc reserves the right to change this handbook's content, at any time and at our sole discretion. Its provisions may not be altered by any other means, oral or written. You will receive written notice of any changes we make to the employee handbook and are responsible for understanding and complying with all up-to-date policies. If you are confused about any information defined herein, please contact your manager for clarification.

1.3 Employment Forms

All new employees are required to complete and submit the following forms. Starred (*) forms can be found at the end of this manual. All others have been or will be provided separately.

*At-Will Employment Agreement and Acknowledgement of Receipt of Employee Handbook **
Employment Eligibility Form I-9

On the day of hire, each new employee is legally obligated to complete the Employment Eligibility Verification Form I-9 and submit documents establishing identity and eligibility within the next three business days. The same policy applies to re-hired employees whose I-9's are over three years old or otherwise invalid. McKenzie Foods utilizes the "E-Verify" system for all new employee paperwork verification.

Section 2. Terms & Definitions

McKenzie Foods Inc typically employs more than 150 regular and temporary employees on an "at-will" basis. This section defines the terms of "at-will" employment, as well as the different types of employees we hire.

2.1 Definition of "At-Will" Employment

The job of an "at-will" employee is not guaranteed. It may be ended, at any time and with or without notice, by the employee or, for a lawful reason, by the Company. The Company also reserves the right to alter an "at-will" employee's benefits, pay rate, and assignments as it sees fit. The "at-will" terms of an employee's employment may only be changed by the President or the District Manager.

Section 3. Payroll

3.1 Payment Schedule

Employees are paid bi-weekly generally on every other Wednesday. In cases where the regular payday falls on a holiday, Employees will receive payment on the last business day before said holiday. Each new hire is required to have direct deposit for payroll. You will be required to provide the information for direct deposit when you onboard. All paystubs and W2's will be available electronically. Once hired, please download the UKG app and sign in. Your username is your last name and first initial followed by the last four of your social security number. Your password is your date of birth. You will be prompted to change your password at that time. All changes for direct deposit, tax withholdings, address, etc can be made by the employee in this app. NOTE: If you have worked for a previous employer that used UKG for payroll, you will need to add the number 1 at the end of your username.

We and our affiliates (InfoSync and UKG) reserve the right to text or call you during normal business hours.

Employer Bonus payments are discretionary and are forfeited in entirety if employee is not currently employed on the date of actual payment.

3.2 Wages

Wages vary from employee to employee and are based on level of skill and experience. The Company conducts regular evaluations of all employees and issues promotions as it sees fit. Employees who feel entitled to higher pay may contact your Area Manager to discuss.

3.3 Deductions & Garnishment

Federal and state law requires that we deduct the following from every paycheck:

- Social Security
- Income tax (federal and state)
- Medicare
- State Disability Insurance & Family Temporary Disability Insurance
- Other deductions required by law or requested by the employee

A Wage and Tax Statement (W-2) recording the previous year's wages and deductions will be provided at the beginning of each calendar year. If at any time you wish to adjust your income tax withholding, please fill out the designated form and submit it to your Restaurant General Manager.

3.4 Wage Garnishment

Sometimes, the Company receives legal papers that compel us to garnish an employee's paycheck - that is, submit a portion of said paycheck in payment of an outstanding debt of the Employee. We must, by law, abide by this either until ordered otherwise by the court or until the debt is repaid in full from withheld payments.

Section 4. Rights & Policies

The following section summarizes your legal rights as an employee of McKenzie Foods Inc. Questions about any policy detailed in this section may be addressed with your District/Area Manager.

4.1 Equal Opportunity Employment Policy

The Company provides equal employment opportunities to all applicants, without regard to unlawful considerations of or discrimination against race, religion, creed, color, nationality, sex, sexual orientation, gender identity, age, ancestry, physical or mental disability, medical condition or characteristics, marital status, or any other classification prohibited by applicable local, state or federal laws. This policy is applicable to hiring, termination and promotion; compensation; schedules and job assignments; discipline; training; working conditions, and all other aspects of employment. As an employee, you are expected to honor this policy and to take an active role in keeping harassment and discrimination out of the workplace.

4.2 Accommodation for Disabled Employees

We are happy to work with otherwise qualified disabled employees in order to accommodate limitations, in accordance with the Americans with Disabilities Act (ADA). It is up to the employee to approach his or her supervisor with this request, and to provide medical proof of his or her needs upon the Company's request.

We are also happy to accommodate employees diagnosed with life-threatening illnesses. Such employees are welcome to maintain a normal work schedule if they so desire, provided that we receive medical papers proving their working cannot harm themselves or others and their work remains at acceptable standards.

4.3 Employment of Minors

Our policy on employment of minors adheres to all FSLA standards, including the following:

- Minimum employment age (14 for non-agricultural work)
- Maximum weekly hours for employees under 16
- Minimum hazardous job employment age (18)
- Sub-minimum wage standards for students, apprentices, disabled employees, and employees under the age of 20.

4.4 Religion & Politics

McKenzie Foods Inc is respectful of all employees' religious affiliations and political views. We ask that if you choose to participate in a political action, you do not associate the Company in any way. We are happy to work with employees to accommodate political and religious obligations, provided accommodations are requested from a manager in advance.

4.5 Private Information

Employee information is considered to be private and only accessed on a need-to-know basis. Your healthcare information is completely confidential unless you choose to share it. In some cases, employees and management may receive guidelines ensuring adherence to the Health Insurance Portability and Accountability Act (HIPAA).

Personnel files and payroll records are confidential and may only be accessed for legitimate reason. If you wish to view your files, please contact your Area Manager to have this arranged. A Company-appointed record keeper must be present during the viewing. You may only make photocopies of documents bearing your signature, and written authorization is needed to remove a file from Company premises. You may not alter your files, although you may add comments to items of dispute.

Certain information, such as dates of employment and rehiring eligibility, are available by request only. We will not release information regarding your compensation without your written permission.

4.6 Leaves of Absence

All leaves must be approved by management. For planned leaves, employees must submit requests at least 2 weeks in advance. Emergency leaves must be requested as soon as possible. Accepting/performing another job or applying for unemployment benefits during leave will be considered voluntary resignation.

We consider all requests in terms of effect on the Company and reserve the right to approve or deny requests at will, except when otherwise directed by law. Any request for a leave of absence due to disability will be subject to an interactive review. A medical leave request must be supported in a timely manner by a certification from the employee's health care provider. Extension of leave must be requested and approved before the current leave ends. No employee is guaranteed reinstatement upon returning from leave, unless the law states otherwise. However, the Company will try to reinstate each returning employee in his or her old position, or one that is comparable.

Below are the two main types of leave that McKenzie Foods Inc offers employees. Some, but not all, are governed by law.

Work-Related Sickness & Injury

Employees eligible for Worker's Compensation rendered unable to work because of work-related injury or illness will receive an unpaid leave for the period required.

Maternity

An employee disabled on account of pregnancy, childbirth, or a related medical condition may request an unpaid leave of absence of up to four months. Time off may be requested for prenatal care, severe morning sickness, doctor-ordered bed rest and recovery from childbirth.

Section 5. Employment Benefits

The following is merely an overview of the Company's benefits package. It does not contain all relevant information. Please contact your Area Manager to obtain all details.

5.1 Unemployment Insurance

Employees rendered unemployed through no fault of their own or due to circumstances described by law, receive unemployment insurance. State agencies administer this insurance and determine benefit eligibility, amount (if any), and duration.

5.2 Workers' Compensation

Workers' Compensation laws compensate for accidental injuries, death and occupational disabilities suffered in the course of employment. McKenzie Foods Inc provides Workers' Compensation Insurance for all employees. Generally, this includes lost wages, disability payments and hospital, medical and surgical expenses (paid directly to hospital/physician) and assistance in injured employees in returning to suitable employment. In case of a Worker's Compensation related incident, procedures are posted in a visible location in each store. Your Restaurant General Manager will provide this location to you.

5.3 Social Security Benefits (FICA)

Both employees and the Company contribute funds to the federal Social Security Program, which provides retirees with benefit payments and medical coverage.

5.4 Insurance Benefits

The Company may also provide the following benefits:

- Minimum Essential Coverage Plan (MEC) - all hourly employees can become eligible. An eligible employee must have worked an average of 30 hours a week the year prior to enrollment. Enrollment is in January. Example: If you worked an average of 30 hours a week from October 15 2014 to October 14, 2015, then you will be eligible for January enrollment for the year of 2016. This benefit is paid for completely by McKenzie Foods, Inc.
- Group Health, Dental, Vision, and Life Insurance Benefits - Restaurant General Managers, Assistant Restaurant Managers, and Above Store Leaders are eligible on the first of the month following 30 days of employment from their date of hire or promotion.

More information about Insurance Benefits will be available once eligibility has been established. If there are any questions about Insurance Benefits, please contact Stephanie Brook. (Stephanie@mckenziefoods.com or 317-574-7616 ext. 6).

Section 6. Rules of Conduct

6.1 On the Job

Reporting for Work

Employees are expected to begin and end each shift at the time and on the day appointed. You must inform your supervisor 3 hours *before* the start of the workday shift if you will be absent or know you're going to be late and obtain his or her permission to leave early. Absences and late arrivals will be recorded. Should your absences or tardiness exceed a reasonable limit, you will be subject to disciplinary action and possible termination. Failing to call your supervisor or report to work for consecutive workdays will be considered voluntary resignation, and result in removal from payroll. If you are planning on resigning with our company, we require a 2 week notice be given and full-filled in order to be eligible for re-hire in the future. Employees are not allowed to bring children or minors to their location of employment while they are working.

Clocking In

Employees should clock in and out as they are scheduled to work. Early clocking in or late clocking out will not be counted when calculating pay. The only exception to this will be determined by the Manager, who will directly request the employee to come in early or stay late.

Appearance Standards

An important part of providing a great experience for our customers is ensuring our employees are clean and well groomed. The appearance of KFC employees is a reflection of KFC restaurants and the KFC Brand, and can be critical for food safety. All restaurants must ensure that their Team Members adhere to the following appearance standards. However, the laws applying to your restaurant may require you to make exceptions. You are responsible for making sure that your restaurant follows the law. Whenever the law requires you to make an exception to this Standard, that part of the Standard will be waived.

➤ UNIFORM REQUIREMENTS

Employees (including restaurant management) must be in complete uniform. For branding and safety purposes, this consists of:

- Brand Wear Uniform Shirt
- KFC Hat
- KFC Name Badge. Worn on shirt and name typed.
- Black Pants. Jeans are not allowed to be worn.
- Black, Slip-Resistant Shoes (No raised heels)
- Dark socks.
- Button-up Shirt or Polo that includes the KFC logo (Applicable to Restaurant Management only)

➤ **UNIFORM APPEARANCE**

- Uniform must be clean and in good condition with no stains, rips, or wrinkles.
- Shirts must fit properly and worn tucked in.
- Black pants must not have tears, rips, frays, stains, or any decorative items.
- Pants are to be worn at the waist with the hem off the floor and not be rolled or stapled.
- Belts are optional. If worn, they must be plain black or brown
- KFC promotional T-shirts can be worn to support products as long as the product is being sold in the restaurant.
- Visible undershirts and long-sleeved t-shirts must be clean and either black, white or gray.
- Sweaters and jackets can be worn; however, they must be an approved KFC logo wear item, or a black solid color that matches the uniform.
- Name badges must be visible. Badges must be worn on the shirt or jacket. Name badges cannot be handwritten and must be easy to read.
- Aprons must be folded down or removed prior to entering customer service areas.

The following pants are NOT acceptable unless otherwise required by law:

- Skinny (tight all the way to the ankle)
- Leggings (stretchy material of any type)
- Ankle Length
- Capri/Shorts
- Cargo pants
- Skirts

Any deviation from the Uniform Requirements or Uniform Appearance guidelines will result in the employee being asked to correct before they begin their scheduled shift.

➤ **UNIFORM SUPPLIER**

Your initial uniform will be completely supplied by McKenzie Foods. It is the employee's responsibility to clean and maintain their uniform. If pieces of the uniform require replacement because of extended use, McKenzie Foods will provide replacement. If pieces of the uniform are lost, the employee will be required to purchase. If an employee shows up for work without a KFC hat or name tag, they will be charged for those to be provided. Hats cost \$5, name tags \$2. Additional KFC brand wear shirts can only be obtained from Barco (the only approved supplier). Your RGM will obtain these items for you from our supplier. If you terminate your employment before your first 90 days and don't turn in your uniform, we will deduct \$25.00 out of your last check per our uniform agreement you signed during onboarding.

Employee Appearance

- Hair must be clean and well-maintained. Hair that touches the shoulder or longer must be restrained.
- Long hair (including ponytails) that extends past the shoulder must be restrained with a clip or band and put up under the hat.
- Mustaches and goatees must be covered with a beard net when required by the local health department in any food preparation area.
- Full beards are not allowed except as may be required by applicable law. When beards are permitted, beard nets must be worn while handling food.
- Fingernails must be kept clean. Any employee wearing fingernail polish, decals, false or acrylic fingernails must wear disposable gloves when preparing or handling food.

➤ JEWELRY

- One ring per hand and up to two (2) sets of small earrings is acceptable.
- Earrings and/or gauges must be no larger than a dime. NO large hoops or dangling earrings.
- Any necklaces must be worn inside the shirt.
- No visible body piercings other than ears. This prohibition includes tongue piercings. When preparing food, remove all jewelry from arms and hands. This includes wrist/arm bands. Wedding rings are acceptable, but disposable gloves are required when preparing or handling food if wearing a wedding ring.

➤ SUNGLASSES

Sunglasses are not to be worn while working.

➤ TATTOOS

All tattoos must meet the following standards:

- No facial tattoos allowed.
- Vulgar, offensive, threatening or obscene tattoos are not acceptable if visible to the customer.

Employees that do not meet appearance standards will not be allowed to work until the problem is resolved. Failure to meet appearance standards as outlined above could result in progressive discipline up to and including termination. Exceptions for medical, religious, or other reasons must be approved through the Franchisee.

Gum

Employees may not chew gum in any area of the restaurant.

Staying Safe

Safety in the workplace is the Company's number one priority. You must inform your supervisor in the event of unsafe conditions, accident or injury, and use safe working methods at all times.

Meals & Breaks

All employees are able to eat an employee meal while working for McKenzie Foods at a KFC restaurant. This benefit is offered by McKenzie Foods and can be withdrawn or changed at any time. This is a benefit for all.

Please **DO NOT ABUSE** this privilege.

1. Employee is allowed 1 meal per scheduled shift.
2. If employee works a Open to Close shift they are allowed 2 meals.
3. There are no employee meals to be taken during the times of 11:00am – 2:00pm or 4:30pm – 7:30pm. No breaks can be taken during the rush recovery period if recovery items are not 100% complete.
4. Employee meal breaks are 10 minutes. If the break is more than 10 minutes, then the employee must clock out and then clock back in after break is finished.
5. Employee meal must be placed at front counter as a typical customer order is placed. The order will be taken by another CSTM and packed by a CSTM. Neither of these activities is to be completed by the employee eating the meal.
6. The employee meal order is to be rung into register as an Employee Meal and the receipt signed by the employee taking the meal. These receipts will be turned in daily and attached to the Daily Sheet.
7. The employee meal must be eaten in the restaurant dining room.
8. An employee meal can be chosen from any 1 of the Combos 1 through 8, or 1 of the \$5 Fill Up meals (side item can be exchanged for employee only).
9. Any additional items requested above the allowed items mentioned above can be added but must be paid for at normal customer price.
10. Bottled Drinks: Employee meals include a drink from the fountain machine. Bottled drinks chosen must be paid for at normal customer price.

Smoking Break Policy

McKenzie Foods maintains a smoke and tobacco free environment. No smoking or other use of tobacco (including, but not limited to, cigarettes, pipes, cigars, snuff, chewing tobacco, or e-cigarettes) is permitted in any part of the building or in vehicles owned, leased, or rented by the Company. Employees may smoke outside in designated areas during breaks. When smoking or otherwise using tobacco or similar products outside, do not leave cigarette butts or other traces of litter or tobacco use on the ground or anywhere else. **NO ADDITIONAL BREAKS** beyond those allowed under the Company's break policy may be taken for the purpose of using tobacco or similar products. Dispose of any litter properly in the receptacles provided for that purpose.

Being permitted to use tobacco products during breaks is a privilege. If the privilege is abused, it may be withdrawn altogether.

Cell Phone Use

- Ear buds, headphones or similar listening devices are not permitted at any time while working in restaurant.
- Speakers of any kind may be used only before "Open" hours or after "Close" hours. When used during the approved times, the volume must be kept at a level that normal communication can be maintained. Acceptable music is at the Manager's discretion.
- Cell phones are NOT ALLOWED TO BE KEPT ON YOUR BODY while working. All cell phones will be kept in the manager's office in a designated storage basket. The manager's office is to be kept locked at all times. Employees may access their cell phones from the office during their scheduled breaks. Cellphones are to be returned to the office after the scheduled break. Salaried managers may access their cell phone in the office as required for business.

6.2 Rules & Policies

Confidentiality

No previous or current employee may disclose or give access to confidential Company information, in any way or at any time, unless otherwise authorized by Management.

Discrimination & Harassment

➤ **SEXUAL HARASSMENT POLICY: “NO TOLERANCE”**

McKenzie Foods, Inc. does not tolerate sexual harassment. McKenzie Foods, Inc. provides procedures for victims of sexual harassment to report sexual harassment and disciplinary penalties for those who commit sexual harassment. No person, employee or third party, no matter his or her title or position, has the authority, whether expressed, actual, apparent or implied, to commit sexual harassment. Sexual harassment includes any unwelcome sexual advances, requests for sexual favors, and any other verbal or physical conduct of a sexual nature where such actions or allowance of such actions are made a condition of employment that interferes with an individual's work performance or creates an intimidating, hostile, or offensive working environment. Examples include requiring a sexual act or favor to keep a job, to procure a job or raise, or to obtain a promotion.

McKenzie Foods, Inc. prohibits, forbids, and does not tolerate any employee, manager or visitor, male or female, to harass an employee or non-employee participant in the workplace or to create a hostile or intolerable working environment by exhibiting, committing or encouraging:

- Material such as pornographic or sexually explicit posters, calendars, graffiti or objects;
- Unwanted, unwelcome, and unwarranted sexual advances, including, but not limited to, requests, comments or innuendoes regarding sex, including sexual jokes, gestures, statements or stalking;
- Intentional or malicious physical conduct that is sexual in nature, including, but not limited to, touching, pinching, patting, brushing and/or pulling against another's body or clothes; and
- Physical assaults on other employees, including but not limited to rape, sexual battery, molestation, or any attempts to commit such acts or assaults.

McKenzie Foods, Inc. will determine what constitutes sexual harassment based on a review of the facts and circumstances of each situation. McKenzie Foods, Inc. reserves the right and hereby provides notice that third parties may be used to investigate claims of sexual harassment. You must cooperate in any investigation of workplace wrongdoing or risk termination. All employees, including supervisors and managers, will be subject to severe disciplinary action, up to and including discharge, for any act of sexual harassment they are believed to have committed.

Procedure for Reporting Sexual Harassment:

If you are sexually harassed, you must report the act of harassment to the Manager on Duty immediately. If you feel uncomfortable doing so, or if your supervisor is the source of the problem, condones the problem, or ignores the problem, report the situation to Stephanie Brook or Jim McKenzie. You are not required to directly confront the person who is the source of your report, question, or complaint before notifying any of those individuals listed.

➤ **WORKPLACE WRONGDOING POLICY: “NO TOLERANCE”**

- McKenzie Foods, Inc. does not tolerate workplace wrongdoing on McKenzie Foods, Inc. premises, property, or while acting within the scope of employment.
- McKenzie Foods, Inc. does not tolerate theft of property, whether from the employer, customer or from a co-worker. Employees should seek permission before removing organization material, tools, or other items, including damaged goods, scrap material, or any other material. Any employee who violates this policy may be subject to disciplinary action, up to immediate discharge.
- McKenzie Foods, Inc. prohibits false information on any expense account sheet or on any insurance claim submitted under the organization’s health care benefits or workers’ compensation benefits program.
- McKenzie Foods, Inc. prohibits fighting on its premises. Any employee who instigates physical violence, or threatens physical violence, may be subject to disciplinary action, up to immediate discharge.
- McKenzie Foods, Inc. prohibits horseplay, practical jokes, and pranks. Any employee who violates this policy may be subject to disciplinary action, up to immediate discharge.
- McKenzie Foods, Inc. prohibits embezzlement or stealing of organization funds or customer funds, including but not limited to, stealing money from an organization account, stealing postage, or unlawful use of telephone privileges. Any employee who violates this policy may be subject to disciplinary action, up to immediate discharge.
- McKenzie Foods, Inc. prohibits gambling in the organization’s facility or on organization property. Employees who place bets, as well as those who take bets, may be subject to disciplinary action, up to immediate discharge.

Procedure for Reporting Workplace Wrongdoing:

If you are aware of any of the acts listed above taking place, you are encouraged to discuss your questions, problems, complaints, or reports with Manager on Duty. If you feel uncomfortable doing so, or if your supervisor is the source of the problem, condones the problem, or ignores the problem, report to your Area Manager or Jim McKenzie.

You are not required to directly confront the person who is the source of your report, question, or complaint before notifying any of those individuals listed.

➤ CARELESSNESS POLICY: “NO TOLERANCE”

McKenzie Foods, Inc. prohibits, forbids, and does not tolerate carelessness, substandard or hazardous work practices within its facility, on its property, or while conducting organization business.

McKenzie Foods, Inc. expects and demands that its employees perform their employment duties with care and attention to the [customer, client and/or citizen] needs, the safety and welfare of fellow employees, and to McKenzie Foods, Inc. quality standards and requirements. Employees who are careless or negligent in performing their job duties will be subject to disciplinary action. Carelessness or negligent behavior or actions may result in disciplinary action, up to and including immediate discharge. Employees who fail to respond to McKenzie Foods, Inc.’s efforts to correct carelessness may be subject to disciplinary action, up to and including discharge.

Procedure for Reporting Careless, Hazardous or Substandard Work Practices:

If you are aware of a careless or negligent act or behavior, you must report the act or behavior to Manager on Duty. If you feel uncomfortable doing so, or if your supervisor is the source of the problem, condones the problem, or ignores the problem, report to your Area Manager or Jim McKenzie. You are not required to directly confront the person who is the source of your report, question, or complaint before notifying any of those individuals listed.

Drugs & Alcohol

Good performance on the part of our employees is crucial to McKenzie Foods Inc's success. For this reason, we strictly forbid employees to do the following while at work:

- Drinking alcohol and selling, purchasing or using illegal drugs at work. An "illegal drug" is any drug that has not been obtained by legal means. This includes prescription drugs being used for non-prescribed purposes.
- Possession of any non-prescribed controlled substance, including alcohol and legal illegally obtained prescription drugs.
- Reporting for work intoxicated. We reserve the right to test employees for substance abuse. Illegal drugs, illegal drug metabolites, or excessive alcohol in your system will result in disciplinary action.

The Company cares about the overall health and well-being of its employees. Any employee who feels that he/she is developing a substance abuse problem is urged to seek help. The Company will grant time off (within reason) for rehabilitation. Be advised, however, that this will not excuse a substance-related offense. In some cases, completion of Company-approved rehabilitation program may serve as an alternative to termination.

6.3 Paid Time-Off Benefits

Vacation Policy

Vacation benefit is earned on the 1st full calendar year (January 1st through December 31st) of employment. Vacation benefit is paid in January for the previous year the benefit was earned. Vacation benefit cannot be carried over from one year to another. Any vacation benefit not used in the appropriate year will be forfeited by the employee. Vacation benefit is earned as shown below.

1. Any employee who works 2 consecutive 6 month periods averaging 30 hours/week or more, earns 1 week of vacation benefit of the same last 6 month period hours/week average. To keep this vacation benefit ongoing the employee must continue averaging 30 hours / week or more for ongoing 6 month periods.
2. If the above employee works a consecutive second year of 2 consecutive 6 month periods averaging 30 hours/week or more, that employee earns a 2nd week of vacation benefit of the same last 6 month period hours/week average

Vacation requests must be submitted in writing to your direct manager with a minimum of 2 weeks' notice.

401-K Benefits

Employees at the age of 21 and older will be eligible for 401-K Benefits after 1 year of service from their date of hire. The employee must have worked a minimum of 1,000 hours during that year of service.

6.4 Disciplinary Action

The Company takes disciplinary matters very seriously and will exact discipline as it sees fit for any unacceptable action or behaviour. These may include:

- Excessive lateness and/or absence
- Improper or indecent conduct
- Poor communication
- Uncooperative attitude
- Abuse, perfunctory or unauthorized use, or unauthorized possession of Company property
- Unauthorized use or disclosure of Company information
- Possession and/or use of illegal drugs, weapons or explosives
- Illegal harassment and/or discrimination - of **ANY KIND**
- Violation of Company policy

Disciplinary action may consist of anything from verbal/written warnings and counselling to demotion, transfer, suspension or termination. Rather than follow rote procedures, the Company will handle each matter individually to ensure fairness to all involved. Please review and internalize the list of "Don'ts" above and make an effort to use good judgments at all time.

Workplace Inspections

At McKenzie Foods Inc, we have a responsibility to protect our employees and our property. For this reason, we reserve the right to inspect the following, at any time, with or without notice:

- Offices
- Computers and other equipment
- Company vehicles
- Any personal possessions brought onto Company premises, such as handbags, briefcases, and vehicles.

All inspections are compulsory. Those who resist inspection may be denied access to Company premises.

Social Media

The rapid rise and popularity of social media and next generation communication tools presents new challenges with regard to protection KFC's intellectual property, the value of our trademarks, and our assets, goodwill, and reputation. This standard applies to all types of social media platforms and communications tools that exist now and may exist in the future (collectively referred to as "Social Media"), such as social networks (e.g. Facebook), professional networks (e.g. LinkedIn), multimedia or user-generated media sites (e.g. YouTube, Instagram), blogs, wikis (e.g. Wikipedia), virtual worlds (e.g. Second Life), text messaging, and any other mobile device communication. As an employee, you must follow these Social media standards at all times.

KFC Team Members should be instructed to follow these guidelines:

- **DO** think about the possible effects of your post – on your employer, on your fellow Team Members, on your own reputation – before you create or publish it.
- **DO** make clear that you are expressing your individual opinions.
- **DO** include the following statement if you mention that you are a company, franchisee, or licensee employee:
 - “The postings on this site are my own and do not represent the views of KFC.”
 - Inclusion of the required statement will not excuse any violation of this Standard.
- **DO** remember that the Brand monitors online postings and will report ANY crimes to the proper authorities, including health code violations, food tempering/safety issues, theft, and vandalism.
- **DO** remember that all workplace policies (e.g. your employer's anti-harassment policy) apply to your conduct in Social Media.
- **DO NOT** speak or write on behalf of KFC unless you have been specifically authorized to do so. Unless you are authorized, if you are contacted by anyone (media, reporters, bloggers, etc.) concerning the business of the KFC, refer the person of KFC's Public Relations Media line at 502-874-8100
- **DO NOT** claim or leave the impression that you are speaking on behalf of KFC without authorization to do so.
- **DO NOT** misrepresent yourself or your role with KFC.
- **DO NOT** use any KFC logos, trademarks, graphics, or advertising materials.
- **DO NOT** use others' property (e.g. copyrighted music, photos, videos) or images of other people without their express prior permission.
- **DO NOT** publish, post, generate content, or otherwise communicate ANYWHERE any of the following information:

*Material non-public financial or operational information. Information is material if it would affect a reasonable investor's decision to buy, sell or hold YUM! Brands, Inc. stock, such as KFC national sales data.

*Product Information. Never share secret recipes, formulas, or product specifications.

*Other Protected Information. Any other secret, confidential, or propriety KFC information or information subject to confidentiality agreements, such as operational manuals, and standards, training materials, new product plans, vendor negotiations, marketing and media Plans, and test market data.

*Photos, Videos, or other Material created in Violation of the Restaurant Recording Policy.

Team Members who fail to follow these Standards may be subject to discipline, up to and including termination or employment and, in certain circumstances, civil or criminal liability.

6.5 Safety in the Workplace

Accidents or Injuries

➤ COMMON HAZARDS

Hazard Typical Problem Typical Injury/ Illness Requiring First Aid

| Hazard | Typical Problem | Typical Injury / Illness Requiring First Aid |
|------------------------------|--|---|
| Hot Surfaces Burns | Exposure to hot surfaces on equipment or smallwares. Exposure to hot oil, exposure to boiling water. | First-degree, second degree, and potentially third degree burns |
| Working Environment | Slips, trips, and falls; floor surfaces that may be uneven or wet; cluttered work layout; noise from equipment | Fractures, bruises, cuts, dislocations, concussion, headaches, dizziness |
| Motor Vehicle Accidents | Drivers involved in vehicle accidents while at work | Not provided at location — first aid at site of accident |
| Smallwares | Slippery handles; lack of mesh cut gloves; distractions | Cuts; bruises; hand, wrist, or arm sprains |
| Hazardous Substances | Exposure to chemicals used in cleaning and disinfecting | Dizziness, vomiting, dermatitis, respiratory problems, burns to skin or eyes |
| Manual Handling of Materials | Working at inappropriate bench heights; moving and storing of cartons; repetitive motions during certain tasks | Back sprains and strains; shoulder, arm, and hand strains; repetitive strain injury or carpal tunnel syndrome |
| Electrical Equipment | Power cord leads not correctly secured in work areas; wet floors near electrical equipment | Shock, burns, loss of consciousness |
| Occupational Violence | Exposure to violence during robberies; contact with staff or customers | Trauma, assault, death |
| Machinery | Working with moving machinery; operator distractions; equipment requiring maintenance | Cuts, lacerations, amputations, crushing and bruising, entanglement |
| Biological | Moist hands combined with untreated cuts; reusing gloves | Warts, infected wounds |

First-Aid Administration

➤ FIRST-AID MAINTENANCE

Manager is responsible for ensuring the First Aid Kit is:

- Fully stocked according to the kit's master contents list.
- Restocked after each use.
- Make sure the first aid supplies come from a preferred supplier.
- Make sure First Aid Kit and supplies are in good condition.
- Conduct periodic checks of all First Aid Kits and ensure any used items have been replenished.
- Post a list of emergency phone numbers near phone. When in doubt, call 911.

➤ BURNS

Prevent Burns - Identify Common Causes of Burns

The most common causes of burns in restaurants are:

- Related to oil accidents.
- While cleaning, sustained from either hot equipment or chemical burns.
- From hot water.

Prevent burns while cooking

- Follow procedures when working around hot liquids and hot surfaces.
- Make sure floor surfaces are clean and dry to prevent slips near hot surface oil.
- Always warn people nearby when carrying hot materials.
- Use heat-resistant gloves when directed to in the Standards Library procedures.
- Leave oil to cool overnight when emptying or filtering fryers.
- Filter and remove oil when fryer is warm never when hot!

Prevent burns while cleaning

- Never allow water to come into contact with hot oil as it will cause the oil to “spit.”
- Wear an apron as directed by Standards Library procedures.
- Use goggles, gloves, and aprons for protection when cleaning fryers as per Standards Library procedures.
- Allow equipment time to cool before disassembling or cleaning.

Prevent burns while serving

- Protect the hands when carrying hot products. Wet cloths or latex gloves conduct heat and will not protect from burns.
- Use approved heat gloves, dry cloths, mitts, tongs or pan grips.

➤ CUTS

Prevent Cuts - Identify Causes of Cuts

Most common causes of cuts to hands are:

- Opening boxes with box cutters.
- Using knives and slicers.
- Disposal of metal can lids.
- Cleaning equipment.
- Handling broken or cracked glassware.

Handle and clean equipment according to the Standards Library procedure.

To prevent cuts from metal cans:

- Open cans with caution. Insert blade into can lid and turn to open.
- Use tongs to remove the cut lid from the can and place on the workbench.
- Immediately after removing product from the can, place the lid inside the can and squeeze the can opening to close it.
- Place the closed can in the Dumpster immediately.
- Never discard the can or lid into a rubbish bin, as the can lid can cut through the liner and cause a cut injury. This prevents cuts if Team Member pushes rubbish down with hands or feet.
- If a can is opened after dark, store the can in an empty box and close the flaps. Discard the box into the dumpster the next morning.
- Do not store items in open cans.

To prevent cuts from other sources:

- Many cuts occur while performing routine cleaning or maintenance. Regularly check equipment for sharp edges. File smooth or cover with protective tape. Notify Repairs & Maintenance.
- Never place hands into places you cannot see, for example, crevices.
- Use mesh cut gloves. These gloves protect hands from cuts and scratches.
- Wear gloves when working with cutting tools or sharp instruments.
- Wear mesh glove on the hand used to stabilize the item being cut.
- Always use guards, shields, and other protective devices.
- Never hold in the hand an object to be cut. Always use a cutting surface.
- Cut away from yourself and others.

➤ SLIPS

Prevent Slips and Falls – Identify Causes for Slips and Falls

The most common cause of slips and falls include:

- Greasy or unclean floors.
- Carrying heavy items while cleaning.
- Slipping in spills on floor.
- Tripping over obstacles.

Other causes include:

- Debris.
- Loose tiles.
- Obstructions that interfere with traffic flow.
- Missing drain covers.
- Uneven sidewalks and parking lot hazards.

Floors

Shoes must be closed toe, dark in color and with slip-resistant soles (no raised heels).

Properly clean and maintain floors. "Clean as you go."

- Designate one mop for use only in the kitchen.
- Designate a second mop for use only in the dining area.
- Post "Caution Wet Floor" signs when mopping.
- Follow floor cleaning procedures.
- Use company approved cleaning chemicals and supplies.

Use floor mats in problem slip and fall areas such as:

- In front of ice machine.
- At sinks
- At self-serve beverage stations.
- By fryers
- Walk-in coolers.

Also:

- Keep obstacles and objects out of footpaths.
- Keep floor free of chipped, cracked, or missing tiles and drain covers.
- Use correct cleaning products and follow standards for use.
- Clean up spills and liquids on floor as they occur.
- Do not carry heavy items while cleaning floors.
- Sweep floor to remove any food or rubbish.
- Make sure rubbish bins are never overflowing.
- Keep cleaning equipment off the floor and clear of the aisles when not in use.
- If necessary, traction treatment will manage the slip resistance with worn or soggy floors.

Ladders

- Ladders must be approved by Equipment Department and must comply with local standards.
- Make sure ladders are in good working condition.
- Use a colleague to hold the ladder to prevent slipping while climbing.
- Do not use the top steps of the ladder or over reach for items.
- Do not step from ladder to fryer or other kitchen equipment to do cleaning or maintenance.

➤ STRAINS

Practice Safe Lifting

Stop and Think:

- Examine and test object prior to lifting.
- Know where load will be placed.
- Determine whether lifting object requires more than 1 person.
- Remove all obstructions.

Place Feet Correctly

- Position feet apart to give a more balanced and stable base for lifting.
- Adopt Good Posture
- Bend at the knees and keep back straight.
- Keep object level with waist if possible.

Get Firm Grip

- Keep arms within the boundary formed by legs.

Do Not Jerk Object

- Lift smoothly, keeping object under control.

Move Feet

- Keep the trunk of the body aligned with the feet.
- Do not twist from side to side.

Keep Object Close to Body

- Keep the object as close to the body as possible.

Use Team Lifting Techniques

- Use 2 or more people. Using additional people to lift objects can reduce risk of injury.

Avoid Heavy Lifting

- Avoid lifting extremely heavy objects.
- Unpack cases before moving them.
- Carry ice in small buckets or use the cart trolley.

Storage

- Store all heavy items below eye level.
- Store the heaviest objects at least 30cm above the floor.

Use Correct Equipment

- Use any specialized lifting equipment provided.
- Use a ladder or step stool to store items above eye level.
- Do not use a chair for standing, climbing, or reaching.
- Wear back supports.

At-Will Employment Agreement and Acknowledgement of Receipt of Employee Handbook

Employee:

I acknowledge that I have received a copy of the McKenzie Foods, Inc. Employee Handbook, which contains vital information on the Company's policies, procedures and benefits. I understand that this handbook's policies are intended only as guidelines, not as a contract of employment.

I understand that my employment is on "at-will" terms and therefore subject to termination, with or without notice or obvious reason, by myself or the Company. Changes to my "at-will" status may only take the form of a written agreement signed by an authorized member of the Company as well as myself. This agreement supersedes all prior/contemporaneous inconsistent agreements.

I understand that the Company may change its policies, procedures and benefits at any time at its discretion, as well as interpret or vary them however it deems appropriate.

I have read (or will read) and agree to abide by all policies and procedures contained therein.

PRINT EMPLOYEE NAME

DATED: _____

EMPLOYEE SIGNATURE

DATED: _____

MANAGER SIGNATURE

DATED: _____

