



Associate Handbook



ID Logistics Is A Great Place To Work!

Welcome!



You are joining the company at a very exciting time. KANE Logistics is now ID Logistics US. In early 2022, ID Logistics finalized the purchase of KANE Logistics making us part of a dynamic, growing, global logistics company. ID Logistics, headquartered in Orgon, France and is heavily engaged in the logistics industry. The company offers its customers a range of services for their supply chains, such as warehousing and distribution, temperature-controlled logistics, transportation, and e-commerce.

Some facts about ID Logistics that you should know:

- 364 worldwide locations in 18 countries (and growing)
- Over \$2 billion in revenue
- Over 75 million square feet of warehousing and distribution space
- And, over 55% of the organization is in France and the United States

Throughout this document the company is referred to as “KANE”. As we are in the process of changing our logos and branding , it is very important to note that while our name is changing, our values remain the same.

Fundamentally, nothing has changed, so as we go through the transition, we are continuing to use the KANE Logistics Handbook and Policies until we have an opportunity to thoroughly review and update them to reflect our new company name. This handbook contains valuable information you will need to get started. Although it does not contain full statements of our operating policies or all of the benefits you might enjoy while working here, it is designed to briefly answer the questions most often asked by associates.

Like most publications of its kind, it is important to note that this handbook might not reflect every change that has occurred since it was printed. For these reasons, you are encouraged to speak with your supervisor or a Human Resource Representative should you have any questions or need further clarification regarding any of our policies, practices, or benefits.

We are excited to welcome you to the ID Logistics US Team and hope that you will find your employment here to be both challenging and rewarding

TABLE OF CONTENTS

	Page
Introduction	
KANE History to Today	4
Together We're Better!	5
Meeting Customer Expectations	6
Employment	
About this Handbook	7
At Will Employment	7
Equal Employment Opportunity	7
Americans with Disabilities	8
Anniversary Date	8
Introductory Period	8
Associate Classifications	9
Associate Information	9
Job Resignation	10
Exit Interview	10
Safety/Security	
Safety Policies/Expectations	11
Workers' Compensation	11
Drug and Alcohol Free Workplace	11
Workplace Violence / Weapons in the Workplace	11
Security	13
Facility Access/Visitors	13
Inclement Weather	13
Company Standards and Practices	
Commitment to Professionalism	14
Company Property/Work Product	14
The Rules We Work By	14
Solicitation/Distribution of Literature	14
Searches	17
Discriminatory Harassment	18
Non-Fraternization	18
Employment of Relatives	18
Dress Code/Personal Appearance	19
Housekeeping	19
Parking	19
Smoking/Tobacco/Food Products	20

Attendance and Time Off

Work Schedules	21
Badge	21
Time Clocks/Records	21
Attendance/Punctuality	22
Break Periods	22
Work Life Balance/Time Off	23
Leaves of Absence	23

Payroll Practices

Paychecks/Payroll Deductions	25
Electronic Pay Options	25
Overtime Pay	25
Shift Premium	26
Errors in Pay	26

Benefits and Services

Benefit Plans	27
Pre-Tax Plan	27
Associate Assistance Program	27

Rewards and Incentives

Recognition Programs	28
Incentive Plans	28
Associate of the Month/Quarter	28
Service Awards	28

Professional Growth and Development

Company-Sponsored Training	29
Performance Reviews	29
Promotions	29
Transfers	29

Communications

Open Door Policy	30
Electronic and Telephone Communication Systems	30
Social Media Guidelines	31

Appendix

Receipt of Handbook	
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INTRODUCTION

KANE is now ID Logistics US, one of Europe's leading contract logistics providers.

ID Logistics US – has revenues of \$350 million (pro-forma, 2021) with 3,000 associates across 26 high-volume, high-turn distribution and packaging centers. ID Logistics US is an omni-channel distribution specialist that helps brands quickly and flexibly adapt to business growth and market volatility. Our solutions are customized and are delivered by the industry's most customer-centric team. In logistics outsourcing, culture matters. We are guided by our ID Logistics Values: Entrepreneurship, Operating Excellence, High Standards, and Community. These values keep us grounded and provide a universal framework for all team members.

In the US we live these values daily in each of our operations by following The Code – our values in action.

- Keep Safety First
- Sweat the Details
- Honor Your Word
- Avoid Surprises
- Treat People Like Family

The Code is ingrained in each of us, each site, each employee. It's in our ID.

KANE's capabilities far exceed the dreams of our founder, but our reputation for integrity and fairness will remain constant as we grow into the future. **KANE** has evolved into a full service, asset-based, third-party logistics provider for the entire United States. The services made available to customers through the **KANE** companies include:

Third-Party Logistics Services. **KANE** is responding to meet the growing needs of its customers. Organizations are striving to integrate supply chain management, focus on core operations, and outsource additional services necessary for their operations. **KANE's** complete platform of logistics services makes them the right choice for the Northeast.

Distribution Services. **KANE** owns and operates millions of square feet of dry and temperature/humidity controlled space. All of its facilities are modern, featuring in-house sanitation, pallet racking, rail service, and central burglar and fire protection systems. The Company's modern material handling equipment ensures efficient product flow. **KANE** operates contract and public distribution centers regionally for prestigious Fortune 500 companies.

Cross-Docking Services. **KANE's** state-of-the-art cross-docking operations track product via Radio Frequency Technology. This high volume, fast-paced operation tracks merchandise in a real-time paperless environment. The Company is able to track product receipts, transfers, shipments, and changes in status. Effective consolidation and cube utilization through these services ensures transportation efficiencies for customers.

Packaging Services. **KANE's** equipment, technology, and associates, complemented by a distribution system to take the finished product direct to market, make it the easy and efficient choice for any customer's packaging needs.

Information Systems/Technology. Advanced technology and information systems are the core of **KANE's** logistics operation. The Company is able to tailor its information systems to a customer's specific needs utilizing a cutting-edge computer system supported by a 24-hour fully staffed Information Systems department.

Transportation Services. **KANE's** state-of-the-art transportation fleet provides overnight market service to the entire northeastern US: 36% of the US population or 80 million consumers. Its fleet offers customers an array of transportation service options including: consolidation of less than truckload orders with scheduled deliveries; full truckload service for ambient, refrigerated and frozen products; and an inter-modal ramp onsite for long-haul transportation.

Together We're Better!

Like the majority of employers throughout the United States, including our competition, **KANE** is a union-free company. We are proud of the fact that our associates have *never* needed a union to be heard by us, and our associates enjoy excellent working conditions along with a competitive wage and benefit program, which we provide for our associates without any union intervention.

As an associate at **KANE**, you will find that all **KANE's** associates, especially our managers, are very easy to talk with and are genuinely interested in your success. The reason for this is we work hard at developing and maintaining positive relationships that are founded on mutual trust and respect. This does not mean that we may not experience problems from time to time, as happens in all companies, but we have proven that we are successful at resolving our issues with associates without the need for third party representation.

You may ask yourself, "Why is **KANE** interested in maintaining a union-free status?" The reason is quite simple. We enjoy working directly with our associates and operating our Company with everyone on the same team, not on opposite sides. Unions very often impose obstacles and inflexible limitations that hurt the working relationship that companies have with their associates.

We don't want to see such results negatively affect the very business on which we all depend for our livelihood and future.

There is always a chance that at some point in the future, some labor organizer will try to persuade you to sign a union membership authorization card. It is important to keep in mind that you have the legal right not to join any labor union. You should also be aware that union representatives often promise the world to gain your support, but they can never guarantee that they will deliver on their promises. So, be careful. By signing a union authorization card, you may be signing away some of your personal rights without even knowing it, and the outcome may not be at all what you thought it could or would be. You are encouraged to speak with your supervisor should you have any questions.

Meeting Customer Expectations

We at **KANE** are continually striving to improve the quality and level of service we provide to our customers. This is a formula for growth and success. With this in mind, we are committed to certain standards we work by. One of these standards is our *Sundown Rule - We Commit to Getting It Done Today.*

This ensures we get the task done today or commit to a timeline that's agreed upon by all parties. . Keep in mind that everyone we deal with is a customer, whether external or internal. For example, a fellow associate may call you requesting some paperwork. We want to give the highest level of service that we can and respond promptly, at a minimum, the same day. If we cannot deliver same-day for whatever reason, we need to ask if we can fulfill the request by a date that's reasonable and realistic (e.g. the next day; Friday).We then must commit to delivery as promised. Everyone benefits from knowing what they can expect from fellow associates. The Sundown Rule also eliminates loose ends and improves the level of service and quality standards within the Company. We need your full support.

EMPLOYMENT

About This Handbook

KANE is a dynamic Company that operates in a highly competitive environment, and our success depends on our ability to think and act quickly. Consequently, it may become necessary for us to unilaterally interpret, amend, delete, or add to our policies, practices and procedures at any time, with or without advance notice to you. Therefore, nothing in this handbook or in any **KANE** policies, procedures, or practices is to be interpreted as creating an implied or express contract of any kind regarding terms and conditions of employment. Likewise, no supervisor or manager (other than the President) has the authority to create a contract of any kind and no associate has the right to rely on any statements or conduct of any manager or supervisor that might be interpreted to create such a contract.

We will make a reasonable effort to keep you informed about critical matters directly affecting you either through your supervisor or other suitable lines of communication such as postings on the Company bulletin boards and/or notices sent to you directly. **KANE** also posts Company policies on its internal Associate Self Service Portal – associates may access the Associate Self Service Portal from home, or from associate computer terminals in **KANE** facilities.

At-Will Employment

While it is our sincere hope that your employment relationship with us will be mutually rewarding and long lasting, this handbook does not constitute a contract guaranteeing your employment at **KANE** for any specific duration, nor is it intended to create any contractual rights.

Since your employment with us is voluntary (or “*at will*”, as that term is often used to describe the employment relationship), you are free to leave **KANE** at any time, for any lawful reason and with or without notice. **KANE** also has the right to issue counselling, or end your employment, at any time, in any manner, with or without a reason and with or without notice. Although **KANE** may choose to end your employment for a cause, cause is not required. **KANE's** policy is that employment is “at will.” Further, **KANE** has the right to manage its work force and direct its associates. This includes the right to hire, transfer, promote, demote, reclassify, lay off, terminate, or change any term or condition of employment at any time, for any lawful reason and with or without notice. Accordingly, the corrective action procedures outlined in this handbook are discretionary, not mandatory.

No one other than the President of **KANE** may enter into an agreement for employment for a specific period of time or make any agreement contrary to the policy of at-will employment. In addition, any such agreement must be in writing signed by the President of **KANE**.

Equal Employment Opportunity

KANE provides *equal employment opportunities* to all associates and applicants for employment without regard to race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, marital status, veterans status, national origin, military status, ancestry, age, pregnancy, physical or mental disability (an impairment that limits a major life activity), genetic characteristic, or any other consideration made unlawful by applicable federal or state law. Equal employment opportunity will be extended to all persons in all aspects of the **KANE**-associate relationship, including recruitment, hiring, upgrading, training, promotion, transfer, corrective action, layoff, recall and termination.

If you believe that you or another associate has been subjected to any form of unlawful discrimination, you have a duty to promptly report the facts of the incident(s), names of the

individuals involved, and the names of any witnesses to the supervisor of your department, a Human Resource Representative, the President, or a Vice President of the Company.

The matter will be immediately and thoroughly investigated, and confidentiality will be maintained to the extent possible. After reviewing the evidence, a determination will be made concerning whether reasonable grounds exist to believe that discrimination has occurred. It is the obligation of all associates to cooperate fully in the investigation process. **KANE** considers any conduct based on unlawful discrimination to be a major offense which can result in corrective action for the offender, up to and including termination.

KANE will take action to deter any future discrimination. In addition, corrective action will be taken against any associate who attempts to discourage or prevent another associate from bringing discrimination to the attention of management. The persons involved will be advised of the determination if appropriate.

KANE wants to assure all of its associates that measures will be undertaken to protect those who complain about discrimination from any further acts of discrimination, coercion or intimidation, and from retaliation due to their reporting an incident or participating in an investigation or proceeding concerning the alleged discrimination.

Americans with Disabilities

In accordance with the *Americans with Disabilities Act* and other relevant provisions of federal and state law, **KANE** promotes equal opportunities for qualified individuals with disabilities, and prohibits discrimination and/or harassment on account of disability (as those terms are defined by the Americans with Disabilities Act and applicable state law).

KANE will also consider and afford reasonable accommodations, when warranted under the circumstances, to otherwise qualified individuals with known physical or mental disabilities unless undue hardship will result. Any applicant or associate who believes that he or she is in need of a disability accommodation must make a request for reasonable accommodation to a Human Resource Representative, in which case **KANE** will gather the necessary information to evaluate such request and work with the applicant, as circumstances allow and require, in an effort to determine whether an accommodation is reasonable and warranted under the circumstances.

Anniversary Date

The first day you report to work is your “official” *anniversary date*. You will continue to accumulate service credit with **KANE** beginning on this date unless you voluntarily quit your job, are discharged for any reason, do not return from a leave of absence, do not respond to a recall, or are on inactive status for a period greater than one year. If you are a full-time associate, your *anniversary date* will be used to determine the date you become eligible for the various benefits offered by **KANE**.

Introductory Period

When you begin your employment with us, or when you are promoted or transferred into a new position, the first ninety (90) consecutive days following your anniversary date (or the date of your transfer or promotion) will be considered your *introductory period*. This period is intended to provide you with an opportunity to learn more about **KANE**, your co-associates, and your job. It also provides your supervisor with the opportunity to evaluate your performance and determine if the job is suited to your skills and background.

Your safety, quality, productivity and attendance are a few of the criteria that will be evaluated. Your supervisor may adjust the duration of your *introductory period* if he/she determines more time is

necessary to reasonably evaluate your ability to perform the full scope of your assigned duties. Should this happen, you will be notified at the conclusion of your initial *introductory period*.

The successful completion of your *introductory period* will not in any way change or modify your employment at will status, guarantee your employment for any specific duration, or establish a “just cause” termination standard.

Associate Classifications

Job Classifications. There are several categories we use to classify **KANE** associates. At the time you are hired, you will be placed into one of the following *job classifications*:

- *Full-Time Associate.* You will be considered a full-time associate if you are regularly working 30 hours or more per week. As a full-time associate, you will be eligible for the benefits outlined in the Benefit Summary provided to you during your orientation.
- *Part-Time Associate.* You will be considered a part-time associate if you are regularly working less than 30 hours per week over the eligibility period. As a part-time associate you will not be eligible for any benefits not required by law.

Wage and Hour Classifications. In addition to the *job classification* mentioned above, **KANE** is required to follow state and/or federal wage and hour laws with respect to the payment of overtime compensation. Under these laws, **KANE** associates will fall under one of the following additional classifications:

- *Salaried (Exempt) Associate.* This classification includes those associates who are exempt from overtime under federal and state wage and hour law. Positions that typically fall under this classification include executives, supervisors, managers, and professionals.
- *Hourly (Nonexempt) Associate.* This classification includes associates who are non-exempt from federal and state wage and hour laws, and are eligible for overtime. Generally speaking, positions that are paid an hourly rate will typically fall under this classification.

You may speak with your immediate supervisor or a representative of the Human Resource Department if you are uncertain which classification your position falls under.

Associate Information

We maintain a record of each associate's employment, including such information as your employment application, social security number, resume, performance evaluations, etc. **KANE** regards this information as confidential and will only release it with your written permission or when required by law. When **KANE** receives a request for information, only non-confidential information such as dates of employment and job title will be released. Confidential information such as pay rate, past earnings, home address or phone number will not be released unless authorized in writing by you.

It is important that your personnel records are accurate and up to date so you may continue to receive uninterrupted benefits. This information is also necessary to determine the amount of wage deductions for federal, state or local income tax. You should notify the Company of any change in your name, address, telephone number, marital status, number of dependents, insurance or retirement income beneficiary, or emergency contact telephone number.

Associates may inspect the contents of their personnel files at reasonable intervals (generally, no

more than twice per year, unless otherwise required by law). An associate who wants to inspect his/her personnel records must make a written request to a Human Resource Representative, who will schedule an appointment for the associate to access his/her personnel records. Valid identification must be presented by the associate and/or the associate's representative before being allowed access to the associate's personnel records. Personnel records must be viewed in the presence of Human Resources and may not be removed from the premises. To correct or remove information from a personnel record, there must be a mutual agreement to do so between the associate and the Human Resource Department; however, an associate may attach an explanatory statement to any disputed document in his/her personnel records.

You are not permitted to verify employment or provide work references for any associate. All such requests should be forwarded to the Human Resource Department.

Job Resignation

While we hope your employment at **KANE** will be a positive and rewarding experience, we realize that you may choose to leave your job with us. If you anticipate resigning your position with **KANE**, we ask that you notify your supervisor at least two (2) weeks in advance, in writing, of the date that you are leaving. This will enable us to plan for an orderly transition of your job responsibilities. Please note that failing to provide advance written notice could jeopardize or delay your receiving any benefits that may be due you.

You are also expected to return all property, confidential information, and work product in your possession on your last day of employment. Your final paycheck will be issued to you on the next regular payday after your last day of work, unless otherwise required by law.

Exit Interviews

All associates are encouraged to participate in an *exit interview* before leaving the Company. Your participation in this interview will provide us with valuable feedback regarding your employment experience while at **KANE** as well as ways we can better serve the needs of associates.

SAFETY / SECURITY

Your personal safety is of the utmost importance to us. **KANE** is committed to *Keeping Safety First* by promoting a work environment that fosters a caring, ownership-driven culture among associates, customers, and vendors. We consider the proactive management of safety, health and security risks to be an integral aspect of our personal integrity, ethical behavior, corporate social responsibility, and long-term business success.

Safety-Security Policies and Expectations

KANE has implemented comprehensive programs to avoid safety incidents. As a condition of your employment, you are required to comply with all of the Company's safety policies and practices. It is important to note that you may be subject to performance counseling, up to and including termination, in the event you fail to comply with any of **KANE's** safety policies or requirements. The full *Safety Policies and Expectations* (Agreement of Responsibility) is signed by each new associate and available for your review.

Workers' Compensation

KANE maintains *Workers' Compensation* coverage to help pay for medical treatment and wages you may lose while recovering from work-related injuries and illnesses. **If you are injured on the job, the injury shall be reported to your supervisor as soon as reasonably possible, no matter how minor the injury is, in order for the proper reports to be filled out.** Failure to timely report an injury may jeopardize or delay your rights to certain benefits, and affect your employment status.

The Company will direct you to an appropriate health care provider for the treatment of any such injury or illness. Reimbursement of payments to providers will be governed by applicable laws.

Drug and Alcohol Free Workplace

KANE is committed to providing a safe, productive work environment, protecting **KANE** property and maintaining efficient operations. Our goal is to establish and maintain a work environment that is free from any physical and psychological impairment caused by the use/misuse of alcohol and drugs. This *Drug and Alcohol-Free Workplace* Policy applies to all **KANE** associates and others who perform work for **KANE**. **KANE** complies with all Federal and State laws and regulations for drug and alcohol testing. Please refer to the full Drug and Alcohol Free Workplace Policy for specific details.

Workplace Violence / Weapons in the Workplace

All **KANE** associates have the right to expect a place of employment that is free from behavior that can be considered harassing, abusive, disorderly, or disruptive. Therefore, **KANE** is committed to maintaining a workplace that is free from violence or threat of violence. Similarly, all **KANE** managers and associates share in the responsibility for ensuring that our workplace is free of violence.

Firearms, knives, explosive devices, or other similar weapons of any kind are not permitted at any time in any facility where **KANE** or its customers are conducting business. Additionally, unless specifically allowed by state law, such items may not be stored in lockers or vehicles parked on these properties. Only Company-provided utility knives are permitted on **KANE** property or used to perform job tasks.

Weapons of any kind are not permitted, at any time, in any building where **KANE** or its customers are conducting business.

Any violent behavior or behavior that creates a climate of violence, hostility, or intimidation will not be tolerated, regardless of origin. Reasonable, proactive measures will be taken to minimize the potential for violent acts. Validated acts or threats of violence will result in immediate termination from employment with **KANE**.

This includes, but is not limited to, the following behaviors and situations:

- Violent or threatening physical contact (including fights, pushing, and physical intimidation)
- Direct or indirect threats
- Threatening, abusive or harassing phone calls
- Possession of a weapon on Company property
- Destructive or sabotaging actions against the Company's or another associate's personal property
- Stalking
- Violation of a restraining order
- Threatening acts or abusive language that leads to tension within the work environment

Any associate who makes substantial threats, exhibits threatening behavior, or engages in violent acts on **KANE** property shall be removed from the premises as quickly as safety permits, and shall remain off **KANE** premises pending the outcome of an investigation. No existing **KANE** policy, practice or procedure should be interpreted to prohibit decisions designed to prevent a threat from being carried out, a violent act from occurring or a life-threatening situation from developing.

Reporting Procedure

The following reporting procedures have been developed to encourage early reporting, support and stress reduction for associates as well as the prevention of violence:

1. Every specific or implied verbal or physical threat of violence, or act of violence, must be treated seriously and reported. Report any concerns or incidents to your supervisor immediately. If you feel that your supervisor is the source of your concern, or is in any way involved, notify the Vice President of Human Resources or direct a complaint to the attention of the President or a Vice President of the Company. ***If you feel that your personal safety, or that of another individual, is in immediate danger due to workplace violence, dial 911 immediately, then follow the notification procedures outlined above.***
2. Your supervisor will document your complaint and immediately notify the Vice President of Human Resources. A careful and discreet investigation of the matter will be conducted. While the complaint will be kept confidential to the maximum extent possible, it is possible that those associates having direct knowledge of the incident may be questioned. The complaint, investigative steps, and findings will be documented as thoroughly as possible. Also, it should be noted that certain conduct or actions that arise as a result of personal or social relationships would naturally be taken into account in the course of the investigation.
3. If the investigation reveals that your complaint is valid, your supervisor and/or Vice President of Human Resources will, with or without the advice of legal counsel, make a determination as to the need for, and type of, corrective action warranted. Such action may range from a verbal warning to termination, depending upon the conduct in question. All determinations will be made by **KANE**, on a case by case basis, at its sole discretion. If your complaint involves a non-associate third party, the Company will take appropriate corrective action that is within its control.

If you obtain a protective restraining order (whether temporary or permanent) that lists **KANE** premises as being a protected area, you are required to provide your immediate supervisor with a copy of the order.

Security

Maintaining the *security* of **KANE**'s buildings and vehicles is every associate's responsibility. **KANE** will not be responsible for lost, stolen, or damaged personal effects. Additionally, in order to provide for the safety and security of all associates and protect the Company from loss, all desks, lockers, and other Company property as well as personal property brought onto Company premises may be inspected by **KANE** at any time for business purposes and consistent with federal and state law.

Facility Access/Visitors

We prohibit unescorted visitors in our facilities. You may not bring a visitor onto **KANE** property without prior permission from your supervisor; no visitors are permitted in working areas. If you are expecting visitors, please request permission from your supervisor and ask your visitors to see your supervisor when they arrive. All visitors must sign in at the main entrance to the facility, sign a Mutual Confidentiality Agreement, and comply with the terms of the Company's Visitor Policy.

Inclement Weather

Like most companies of its kind, **KANE** operates under a 24-hour, seven-day workweek. Due to the nature of our business and the urgency of our delivery schedules, it is understood and expected that you will be available for work on your normally scheduled hours. In the unusual event that it becomes necessary for **KANE** to temporarily close due to inclement weather, power outage, safety hazards, natural disaster, or other unforeseen reason, we will make every reasonable effort to notify you before the start of your shift.

COMPANY STANDARDS/PRACTICES

We have developed certain policies to provide associates with a safe and pleasant work environment. This section is intended to provide you with a general overview of key policies you should be familiar with. Your supervisor and a Human Resource Representative will review these and other policies with you in more detail during your orientation and at various times during your employment. **It is important to keep in mind that you could be subject to corrective action, up to and including termination, if you violate KANE policy.**

Commitment to Professionalism

At **KANE**, associates are often entrusted with information of a confidential nature. This information may relate to operating procedures, customers, rates, or other sensitive matters. As a condition of your employment, you are required to acknowledge the trust and confidence placed in you by the Company by affirming your personal commitment to protect and maintain the security of all confidential information in your care. This includes divulging such information only to those individuals with a need to know and as authorized by **KANE**.

In recognition of this vital business need, all KANE associates are required to sign a Confidentiality Acknowledgement at the outset of their employment with KANE.

Company Property/Work Product

The protection of *Company property, work product*, and other assets is vital to the interests and success of **KANE** and its associates. Consequently, Company property, including without limitation, Company and customer documents, files, records, computer files, equipment, office supplies or similar materials (except in the ordinary course of performing duties on behalf of **KANE**) may not be removed from the Company's premises, destroyed, thrown away, copied, transferred, reproduced or used without **KANE's** express written permission.

We also retain legal ownership of all of the work you produce in connection with your employment with us. Therefore, it is important for you to understand that none of the work product you create while employed by **KANE** may be claimed, construed, or presented as your property, even after your employment with **KANE** has concluded. This includes written and electronic documents, audio and video recordings, system code, and also any concepts, ideas, or other intellectual property developed for **KANE**, regardless of whether the intellectual property is actually used by **KANE**. Additionally, you are not permitted to remove, destroy, throw away, copy, transfer, or reproduce any of your work product without **KANE's** express written permission. Upon termination of your employment, you are required to return all confidential/proprietary documents, work product, and Company property to **KANE**.

The Rules We Work By

You are expected to carry out your duties and responsibilities, at all times, in a professional, efficient, and safe manner. You are also expected to meet **KANE's** standards of work performance. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency and general compliance with the Company's policies and procedures. If you do not meet these standards, **KANE** may take whatever measures it feels are appropriate. In such instances, each situation will be decided on its own merits to provide you with the fairest possible treatment.

The type of corrective action(s) taken will be based upon the nature and severity of the offense, the circumstances surrounding the action, and your overall service record. Performance counseling may be used to formally document problems while providing you with a reasonable

time within which to improve performance. This process is designed to encourage development by providing you with guidance in areas that need improvement such as poor work performance, attendance problems, personal conduct, general compliance with Company policies and procedures and/or other disciplinary problems. **KANE** may also, at its sole discretion, opt to bypass this process and proceed immediately to suspension or termination.

The following list is only intended to summarize some of the more common types of misconduct that could result in corrective action, up to and including immediate termination. It is not an all-inclusive list nor does it in any way change your “Employment-at-Will” relationship with KANE:

1. Violating any security or safety rules or failing to observe safety rules or **KANE's** safety practices; failing to wear required safety equipment; tampering with Company equipment or safety equipment;
2. Being intoxicated or under the influence of alcoholic beverages while working or on Company premises; possessing, using, distributing or selling alcoholic beverages while working or on Company premises;
3. Violating **KANE's** Drug and Alcohol Free Workplace Policy;
4. Possessing, using, distributing or selling any type of weapon (including but not limited to firearms, knives, or explosives) on Company property or while working; bringing any type of weapon into a Company or customer facility;
5. Engaging in criminal conduct, acts of violence, or threats of violence, either when working, on Company property or when representing **KANE**, or if such conduct in any way affects either your ability to perform your job or your professional relationships with co-workers; fighting, horseplay or provoking a fight while working or on Company property; negligent damage of property;
6. Insubordination or refusing to obey instructions issued by your supervisor pertaining to your work; refusing to help out on a special assignment;
7. Smoking or using tobacco products in unauthorized areas;
8. Eating in unauthorized areas without express written permission of the Human Resource Department;
9. Theft of equipment or property (whether owned by the Company, a fellow associate, customer, or vendor, etc.); damaging, defacing or destroying equipment or property; unauthorized use, possession or removal of any equipment or property, including documents and files, without prior permission from the rightful owner; any use of equipment or property for personal profit or gain;
10. Theft of any work product (whether owned by the Company, a customer or vendor, etc.); unauthorized possession, destruction, reproduction, disclosure, or removal of any work product, without prior permission; unauthorized use of work product for personal reasons; use of work product for personal profit or gain;
11. Falsification or misrepresentation on your application for employment or other work records; falsifying the reason for a leave of absence or other data requested by the Company; alteration of Company records or other Company documents;
12. Violating **KANE's** Confidentiality/Proprietary Information policy; giving or disclosing any

confidential or proprietary **KANE** information to competitors, other organizations, third parties, or to unauthorized **KANE** associates; reproducing or destroying confidential or proprietary **KANE** information, documents, or files without management authorization; working for a competing business while a **KANE** associate; breach of confidentiality of personnel information; accessing or using any confidential or proprietary **KANE** information, records, or documents without management authorization;

13. Unsatisfactory or careless work; failure to meet production or quality standards as explained to you by your supervisor; mistakes due to carelessness or failure to get necessary instructions; carelessness which may endanger the life or safety of your fellow associates;
14. Any act of discrimination or harassment, whether sexual, racial or other; telling sexist or racial-type jokes; making racial or ethnic slurs;
15. Failing to observe proper work schedules with regard to starting times, meal times, break times, and quitting times; not being ready to work when required, without approval of your supervisor; sleeping on the job; loitering or loafing during working hours; leaving your work area during work hours without the permission of your supervisor, except for scheduled breaks or to use the rest room; interfering with the performance of work by others; performing work of a personal nature on the job;
16. Posting, removing or altering notices on any bulletin board on Company property;
17. Failing to report off from work (a single no call, no show); excessive absenteeism or tardiness;
18. Engaging in discrimination, discriminatory harassment, coercion, intimidation, mistreatment, abuse, or threats of any kind toward any associate, manager, customer, or visitor;
19. Failing to immediately report damage to, or an accident involving, Company equipment upon occurrence;
20. Failing to document your time; altering your own time or records or attendance documents; punching or altering another associate's time or records, or causing someone to alter your time or records;
21. Working off the clock (e.g. working prior to clocking in, after clocking out, or during breaks); working overtime without prior management authorization;
22. Engaging in any type of gambling on Company property;
23. Failing to comply with the Company's "solicitation/distribution of literature" policy;
24. Failing to comply with any Company policy; multiple infractions of a single Company policy/requirement; ongoing patterns or a series of infractions of more than one Company policy;
25. Failing to comply with the terms of a performance improvement plan;
26. Accepting any type of gifts or gratuities, valued at greater than \$50 annually, from anyone other than the Company; and
27. Utilizing personal cell phones and electronic devices during working hours; using Company provided cell phones or other electronic devices while operating equipment or driving.

Solicitation/Distribution of Literature

KANE has instituted the following "no solicitation/no distribution" policy to avoid unnecessary disruptions in its operations and to prevent distractions, discomforts, or inconveniences to associates, customers and others doing business with **KANE**:

- **Posting of Notices on Company Bulletin Boards or Other Company Property.** When the Company needs to communicate to you in writing, we have regular methods and procedures for doing so. Our bulletin boards are strictly reserved for the posting of official Company notices and notices required by law. Associates *are not* permitted to post any documents, information or other written material anywhere on Company or customer property, including but not limited to, on bulletin boards.

“*Work time*” is defined as any period when one is scheduled by the Company to be performing work-related tasks. “*Work area*” is defined as any area of the Company’s or customer’s facilities, or in any vehicles or out-buildings used by the Company for work-related purposes, where any tasks relating to the Company’s work or services to its customers are performed.

- **Distribution of Literature by Associates.** Excepting only for written literature provided to an associate by the Company, and which the Company has specifically directed him/her to distribute to other designated associates, an associate may not distribute written literature, including posters, flyers or advertisements, to any other associate:
 - During any time when *either* that associate and/or the associate to whom he/she is distributing or attempting to distribute such literature is on ‘work time’, and
 - At all times when *either* that associate and/or the associate to whom he/she is distributing or attempting to distribute is in a Company ‘work area’.
- **Solicitation by Associates.** The Company wants associates to know that when they come to work they are free from any concern about being solicited or badgered by *anyone* to buy things or join organizations, or about having others invade their personal space or freedoms. Therefore, associates *may not* solicit other associates (or anyone else working for the Company) or customers (including their associates and agents) for any reason, i.e. solicitation for funds, solicitation to join any organization, or solicitation to do business of some kind during any time when either the soliciting associate and/or the person being solicited is on ‘work time’.
- **Solicitation/Distribution on Company Property by Third Parties.** Third parties (meaning anyone who is not employed by the Company) are completely and strictly prohibited from soliciting and from posting and/or distributing literature of any kind on Company property, *at any time, and for any reason.*

Notwithstanding the above, **KANE** reserves the right to offer associates and their families, discount programs and coupons or other beneficial solicitations as it may deem, in its sole discretion, appropriate.

Searches

Company Property Searches. **KANE** may provide lockers, storage areas, equipment, vehicles, offices, desks or work areas for use by associates while performing the duties of their positions. All such items are considered to be **KANE** property, even while an associate is using them. In the normal course of business, or for other legitimate business reasons, **KANE** may need to

search any **KANE** property, at any time, with or without notice or cause, and reserves the right to do so. Consequently, no associate shall maintain a reasonable expectation of privacy in **KANE**-owned property.

Personal Property Searches. **KANE** reserves the right to request to conduct a search of an associate's personal property if a violation of **KANE's** Drug and Alcohol Free Workplace Policy, or theft of Company or customer property is suspected. A search may include all personal property located in or brought onto **KANE** property, including but not limited to purses, bags, briefcases, lunch bags, or vehicles. Entry onto **KANE** property and continued employment constitute consent to search. The search shall be conducted by management, a security firm designated by management, or by law enforcement personnel. Associates who refuse to allow a search will be subject to corrective action, up to and including termination from employment.

Discriminatory Harassment

KANE is committed to providing a work environment for its associates, applicants, temporary associates, drivers, vendors, and independent contractors that is free from all forms of unlawful discriminatory harassment. *Unlawful discriminatory harassment* is unwelcome, severe, or pervasive conduct that creates a hostile working environment or is made a condition of employment, and which is based on an individual's race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, marital status, veterans status, national origin, military status, ancestry, age, pregnancy, physical or mental disability (an impairment that limits a major life activity), genetic characteristic, or any other consideration made unlawful by applicable federal or state law.

KANE prohibits supervisors, managers or other decision-makers from making tangible employment decisions (hiring, firing, promotion, wage adjustments, etc.) based upon an associate's race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, marital status, veterans status, national origin, military status, ancestry, age, pregnancy, physical or mental disability (an impairment that limits a major life activity), genetic characteristic, or any other consideration made unlawful by applicable federal or state law, or upon an associate's response to sexual advances, sexual harassment or any other form of unlawful discriminatory harassment.

KANE does not tolerate any conduct that causes or contributes to discriminatory harassment. In addition, **KANE** does not tolerate retaliation or reprisals by its supervisors or managers against any associate who reasonably and in good faith opposes discriminatory harassment in the workplace and/or who in good faith uses **KANE's** harassment complaint procedures to deal with such issues.

All **KANE** associates, including but not limited to supervisors and managers, who violate this policy will be subject to corrective action, up to and including termination.

Non-Fraternization

In order to promote the efficient operation of **KANE's** business and to avoid misunderstandings; complaints of favoritism; other problems of supervision, security and morale; and possible claims of sexual harassment, managers and supervisors are forbidden from dating or pursuing romantic or sexual relationships with associates whom they supervise, directly or indirectly. You must report such a relationship to your supervisor right away. Associates who violate this guideline will be subject to corrective action, up to and including termination of employment.

Employment of Relatives

We will gladly accept and consider employment applications from your relatives and close family members; however, we refrain from hiring, promoting and transferring relatives into positions where they will directly supervise or be supervised by another close family member. We also refrain from placing individuals in positions where they work with or have access to sensitive information regarding a close family member. We believe that this approach will help to prevent problems associated with security, supervision, and morale.

Dress Code/Personal Appearance

Proper dress and grooming project the pride you take in yourself and your job. They also help assure **KANE** customers and associates, both existing and prospective, that they are associated with a reputable organization. We developed the following guidelines, which we believe will help associates make intelligent judgments regarding appropriate work attire.

If you are an office associate, you may wear clothing that is comfortable yet communicates a professional appearance. As an added benefit, you are welcome to wear business casual attire on Friday. Keep in mind that the primary objective is to project a professional image while taking advantage of more relaxed fashions, provided they are appropriate.

If you are a warehouse associate, casual clothing is usually a favored option given the nature of your job. Due to the dangers of scratches, cuts, splinters and other potential injuries in the warehouses, you are also required to wear safety attire to minimize any potential risk of injury. This may include steel-toed footwear, hearing protection, eye protection, gloves, and pants.

General guidelines for all associates to follow include:

- While the requirements for each function may vary, all associates are expected to practice good taste and moderation in their manner of dress so as to present a neat and professional appearance.
- Pay attention to grooming and personal hygiene. A neat, clean and well-groomed appearance is necessary for safe job performance and to show that you pay attention to important details.
- Do not wear any attire or jewelry that is obscene, or has offensive advertising, logos, words or pictures.

You should consult with your supervisor ahead of time if you are not sure if something is appropriate.

Housekeeping

Neatness and good housekeeping are signs of efficiency. You are expected to keep your work area neat and orderly at all times - it is a required safety precaution. Easily accessible trash receptacles and recycling containers are located throughout the building and grounds. Please put all litter and recyclable materials in the appropriate receptacles and containers. Please do not put cigarettes out on the floor, ground, or throw ashes into any container not meant for that purpose. Always be aware of good health and safety standards, including fire and loss prevention. Please report anything that needs repairing or replacing to your supervisor immediately.

Parking

You may park your vehicle only in designated associate parking areas. While we provide you

with this convenience, we cannot assume responsibility for any loss or damage that might occur. Therefore, it is always good practice to lock your vehicle and not leave any valuables in open sight.

Smoking/Tobacco/Food Products

KANE endeavors to provide a safe, healthy, and comfortable environment in which associates may fully develop their skills and talents. As a result, we maintain a smoke-free and tobacco-free facility for our associates' health and well-being and that of our visitors. Smoking and use of tobacco products is prohibited inside **KANE** facilities and inside any Company vehicles. Smoking and use of tobacco products is only permitted, during break and lunch periods, in the designated outdoor areas provided. If you would like to stop smoking or using tobacco products, we will gladly refer you to a local cessation program.

Additionally, due to the products stored in many of our facilities, spitting, chewing, and snuff are not permitted in any building or vehicle. Similarly, eating food of any type is permitted *only* in designated areas, except with prior approval from the Human Resource Department.

ATTENDANCE AND TIME OFF

KANE has developed certain practices to help ensure its operations are managed in an efficient and orderly manner. This section is intended to provide you with a general overview of key practices you should be familiar with. Your supervisor will review these and other practices with you in more detail during your orientation and introductory period.

For more information on additional legally-protected leave rights, please see the appendix.

Work Schedules

Due to the diverse nature of our operations, associate *work schedules* vary depending upon their job classification, the facility in which they work, and the nature of the work being performed. Although your supervisor will review your respective work schedule with you at the time you are hired, it is important to keep in mind that you are not guaranteed the same schedule or shift throughout your employment at **KANE**. If for some reason you are unable to accommodate schedule changes or work overtime hours when needed, you should discuss it with your supervisor immediately.

Badge

You will be issued a *badge* when you first begin working with us. This badge is used to access **KANE** facilities, for security and recognition purposes, and to document your time and attendance. You are required to wear your badge at all times while on Company property and display it upon request. Should your badge be lost or damaged, report it to the Human Resource Department immediately.

Hourly associates are responsible for clocking in and out of the time clock. The time clock is tied to the payroll system and is used for accurate and timely payroll processing. Associates who do not use the time clock or repeatedly misplace their badge may be subject to counseling.

Time Clocks/Records

KANE is required by law to document the time worked by all associates. Accordingly, you are required to accurately record the time you begin and end work. Depending on your job classification and the facility you work at, it may also be necessary for you to record your time at the beginning and ending of each break/lunch period. An attendance log is used to record salaried associate hours while the time clocks, which are located throughout **KANE's** facilities, are used to record time worked for hourly associates.

For the purposes of reporting time, you should use the following guidelines:

- *Time Worked.* “Time Worked” includes all time you are required to work. It also includes break periods of less than 20 minutes if you are an hourly associate.
- *Time Not Worked.* The following does not count as time worked:
 - Time off for lunch.
 - Approved absences, including but not limited to sick time, vacation leave, holiday leave, FMLA leave, military leave, jury and witness duty, and bereavement leave.

You should never perform work during break periods and lunch periods. Administrative

associates who have access to email and other systems should have prior authorization before working outside scheduled hours, including working during lunch periods.

While you are responsible for ensuring the accuracy of your time records, you may not alter, falsify or tamper with time records in any manner. You should notify your supervisor immediately if you forget to report your time or make an error when recording time so the appropriate correction(s) may be made. At no time are you permitted to record another associate's time or swipe another associate's badge, or ask another associate to swipe your badge for you.

Your failure to comply with these and other established timekeeping rules could result in delays in the processing of payroll, errors in paychecks, corrective action and coaching (up to and including termination).

Attendance/Punctuality

Punctuality and regular attendance are essential to the Company's efficient operation. When associates are absent or late, schedules and customer commitments fall behind, and other associates assume added workloads. Therefore, you are expected to be at your work area and ready to work at the beginning of your scheduled shift and remain at your work area until the end of your scheduled shift, except for approved break periods. A careful record of absenteeism and lateness will be kept by your supervisor and become part of your personnel record.

If it becomes necessary for you to report off from work or arrive late unexpectedly, you are required to notify your supervisor at least one-half hour in advance of your normal starting time. This requirement applies for each day of absence/lateness. If your supervisor is unavailable to speak with you, you may speak with your immediate Supervisor or Manager. In the event he/she is unavailable, you may speak with a Human Resource Representative. Please note that notifying a co-worker or leaving a voice mail message is not permitted. If the facility you work at uses a call-in phone service, you must give your name, the reason for your absence/lateness, and a telephone number where you may be reached.

A doctor's note may be required for you to return to work if you are absent, for medical reasons, for three (3) consecutive shifts or more. This note should contain only a statement of your ability to work without restrictions. Please give the note to your supervisor immediately upon your return to work. Acceptance of outside employment while on an approved leave of absence, without prior approval, may result in immediate termination. Falsification of the reasons for going on leave may also result in your immediate termination

You may be considered to have voluntarily resigned your employment with **KANE**, and your employment with **KANE** will end, if you:

- Do not report to work and fail to call off (No Call/No Show).
- Do not return to work after any approved leave of absence or suspension and do not call off.

Specific details regarding attendance expectations are available in the Attendance Policy.

Break Periods

All associates are expected to dedicate their work time to performing job tasks. For this reason, you may not engage in non-work related activities during work time. **KANE** does, however, offer break periods, which you may use to take care of your personal tasks. Your supervisor will explain these to you in more detail during your orientation. Extending or abusing break time, including failure to clock in or out, or failing to return from any break or lunch on time, will result in corrective action (up to and including termination). Associates may not use lunch periods or rest breaks to "make up" or account for a late arrival or early departure without the pre-approval of their

supervisor. Non-exempt associate should not remain at their desks, or on the floor, during unpaid lunch periods. Associates should use break rooms and other designated areas during scheduled lunch periods. These areas are provided for the comfort and convenience of all associates and we ask that you do your part in keeping them clean.

The timing and duration of breaks and lunch periods varies, depending on the nature of your job and the facility at which you are employed. For more information on break and/or lunch periods, please see either your supervisor or your Human Resource Representative.

Work Life Balance/Time Off

KANE appreciates your need for work life balance and provides a generous package of time off, which is explained fully in our Time Off Policy. All paid time off is paid at your based rate of pay, are excluded from overtime and are forfeited upon termination unless otherwise mandated by policy or law. Some examples of the time off you may receive include:

- Holidays
- Vacation Time
- Personal/Sick Time
- Bereavement Leave
- Jury Duty

Instances of unpaid time off may be considered and include but are not limited to:

- Military leave
- Acting as a Witness
- Victims of Domestic or Sexual Violence
- Voting Leave

For more information on time off, please review the Time Off Policy or speak with your supervisor or Human Resource Representative.

Leaves of Absence

Family and Medical Leave Act. In accordance with the Family and Medical Leave Act (FMLA) of 1993, associates who have been employed by **KANE** for at least 12 months, and who have completed at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave may be eligible for an unpaid family or medical leave pursuant to this policy.

KANE partners with a third party to manage the leave of absence process. All requests for a family or medical leave must be submitted to them. An associate who can anticipate the need for a family or medical leave of absence must provide the Company with at least thirty days notice if practicable or as early as possible thereafter. Associates requesting leave for treatment of a serious health condition must make reasonable efforts to schedule the treatment so as not to disrupt **KANE's** operations.

Personal Leave. If you are not eligible for FMLA leave, have exhausted your FMLA leave, or desire a leave for a non-FMLA reason, you may apply for a discretionary personal leave of absence. If such a leave is granted, it will be on such terms and conditions as **KANE** approves, to the extent allowed by law. Factors that may be taken into account in determining whether or not to grant the leave request are applicable legal requirements, your length of service, length of the expected absence, your overall attendance record (including any prior leaves taken), your performance record, your corrective action/counselling record, purpose of the leave, the ease or difficulty in finding a replacement to perform your job while you are on leave, and such other factors as **KANE** determines should be taken into account on a case-by-case basis. Depending on the nature and timing of the leave, benefits may not be continued during a discretionary leave.

Pregnancy. **KANE** is firmly committed to protecting the rights of expectant mothers and

complying with Title VII of the Civil Rights Act of 1964 and relevant state law. **KANE's** policy is to treat women affected by pregnancy, childbirth or related medical conditions in the same manner as other associates unable to work because of their physical condition in all employment aspects, including recruitment, hiring, training, promotion and benefits.

PAYROLL PRACTICES

Paychecks/Payroll Deductions

Payday is on Friday. Non-exempt associates are paid on a weekly basis for the preceding pay period. Exempt associates are paid on a bi-weekly basis current to the pay date. If you will not be in work on the day paychecks are distributed and wish to have your check released to another individual, it will be necessary for you to notify your supervisor in writing.

KANE is required by law to make certain deductions from each paycheck. They include FICA, along with federal, state and local income taxes, as required by the appropriate taxing authorities. Other deductions are made only when authorized in writing by you, or when required by court-order (e.g. wage garnishment). The terms and fees associated with any court-ordered deduction will be reviewed with you at the time **KANE** is ordered to make such deductions.

If you believe an error in pay has been made, or an improper deduction has been made from your pay, notify your supervisor or Human Resource Representative immediately so she/he may take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

Electronic Pay Options

All associates are encouraged to use electronic and paperless pay offerings. You may request that we directly deposit your paycheck into a checking/savings account at any eligible financial institution. Associates may select to deposit their pay onto a pay card that the Company will provide. Authorization may be made through the Associate Self Service Portal if you wish to participate.

Overtime Pay

KANE is a full-service operation that prides itself on meeting customer expectations. Consequently, for some operations, the workday does not end until every activity required by our customers is performed. With this in mind, it may be necessary for you to work overtime in order to complete a job on time. In such instances, you are expected to work overtime as a condition of your employment.

Hourly Associates. Generally speaking, there are two types of overtime work hourly associates may encounter on the job:

1. Scheduled Overtime: Scheduled overtime work is announced in advance and typically involves an entire department or operation. This type of overtime becomes a mandatory part of the required workweek of the associates who are members of the department or operation. If you need to be excused from performing scheduled overtime, please speak with your supervisor. (S)he will consider your situation and the requirements of the department or operation in deciding whether you may be excused.
2. Incidental Overtime: Incidental overtime is not scheduled, but becomes necessary in response to extenuating circumstances. It is extra time needed to complete work normally completed during regular hours. Like scheduled overtime, Incidental Overtime is considered mandatory, and your cooperation is anticipated and expected in accepting incidental overtime. If you need to be excused from performing scheduled overtime, please speak with your supervisor. (S)he will consider your situation and the requirements of the department or operation in deciding whether you may be excused.

In both cases, a supervisor's approval is required prior to working the additional time. Absent such approval, additional hours worked will be considered unauthorized. Failing to obtain prior approval may result in corrective action, up to and including termination.

If you are an *Hourly Nonexempt Associate* and you are eligible for overtime, you will be paid one and one-half (1-1/2) times your regular hourly wage for any overtime hours you work in a given pay period. Additional overtime rules may apply in some **KANE** locations – you will be informed about overtime rules applicable to the location in which you work during your new hire orientation. For purposes of computing entitlement to overtime compensation, **KANE** considers *only* time worked toward the calculation of hours for overtime. (i.e. sick leave, vacation, jury leave, etc. are not counted as time worked in the workweek).

If you are a *Salaried Exempt Associate*, you are exempt from overtime, and are not eligible to earn overtime pay pursuant to applicable laws.

Shift Premium

If you are an hourly associate and you are assigned to work on a second, third or weekend shift operation, you may be eligible to be paid an additional amount per hour over and above your regular base wage rate. *Shift pay* is not available at every location, and is only paid for hours worked. You may speak with your supervisor or contact the Human Resource Department if you have any questions.

Errors in Pay

KANE calculates earnings using time clock entries for hourly associates and time sheets for salaried associates. Whether you are an hourly or salaried associate, you are responsible for ensuring the accuracy of these entries. If you believe an error has been made, notify your supervisor or your Human Resource Representative immediately so she/he may take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

BENEFITS AND SERVICES

As an associate at **KANE** you are part of a family owned Company committed to treating our customers like family — not only the customers we serve, but also our own most valuable customer: You. *This commitment is the foundation for the **KANE** benefits program.*

We encourage you to be an informed consumer of your benefits so that you can make the right choices for you and your family, and take full advantage of the many programs and resources **KANE** offers to enrich your health, your life, and your future.

Benefit Plans

The road to better health is a personal journey. Regardless of where your health is today, you could probably be doing more to manage, improve or maintain it. **KANE** is committed to offering competitive benefits that focus on the health and well-being of you, your family, and the Company. Most benefits will be described during your orientation and annual benefits open enrollment periods. These benefits are offered to associates meeting certain eligibility criteria. Benefits may include health/medical, dental, vision and life insurance, a disability plan, and a retirement savings plan.

The official details regarding these benefits, including eligibility and participation, are contained in **KANE's** benefit summary, which will govern in the event of any conflict or inconsistency with the details listed in this Handbook or with any other written or oral statements or representations. **KANE** may modify or rescind any benefits provided as business circumstances dictate. If you have any questions about your benefits, please consult the Human Resource Department.

Pre-Tax Plan

The Company has arranged for a program whereby any premiums amounts you may pay for medical, dental or vision benefits will be considered pre-tax, thereby giving you a higher take home pay. Under the Plan, your contribution toward the cost of medical and dental benefits will be deducted from your gross compensation before it is taxed. This means it will not be subject to federal and FICA taxes. State income tax may or may not be deducted depending on the laws of the particular state in which you reside.

Associate Assistance Program

KANE has a strong commitment to the health, safety, and welfare of its associates, their families, and its customers. An *Associate Assistance Program (AAP)* is available that is designed to provide a confidential counseling service for you. Confidentiality is one of the most important aspects of the program. If you contact the AAP directly, no one in the Company will know about it unless you tell them. No information concerning the nature of your problem will be released by the AAP without your written consent. Participation in the AAP will not affect the terms and conditions of your employment with **KANE**. **KANE** assumes the costs for the AAP as a benefit to all associates. Asking for assistance does not mean that you will be obligated to accept or continue it. Contact information is available in your annual benefits booklet or by contacting your Human Resource Representative.

REWARDS AND INCENTIVES

KANE believes good performance and achievement should be recognized through the use of *rewards and incentives* that are creative, flexible, and meaningful. These rewards and incentives are payable at the sole discretion of **KANE**.

Recognition Programs

KANE values associates who embody the values of the **KANE** Code. We recognize how hard our Associates work to uphold these standards daily. Associates will receive awards from the Associate Recognition Program on an occasional basis. Rewards are redeemable during your employment and are forfeited upon termination.

Incentive Plans

Associates may qualify for a variety of bonus or incentive plans. All bonuses are payable at the sole discretion of **KANE**. For details about bonus programs for which you are eligible, please see your Human Resource Representative.

Associates must be actively employed on the day bonuses are distributed in order to be eligible to receive them, unless otherwise required by law.

Associate of the Month/Quarter

This award is used to recognize outstanding associate performance each month or quarter. Nominations, which are made by managers, are reviewed and the winner(s) is announced at the first staff meeting of the following month or quarter. Recipients of this award receive an award certificate and gift in accordance with the Associate Recognition Program.

Service Awards

Service awards are provided to recognize and reward full-time associates for their service with the Company. Active associates are eligible for this award in the year in which they complete five (5) years of continuous service at **KANE** and each subsequent 5 year milestone in accordance with the Associate Recognition Program.

PROFESSIONAL GROWTH AND DEVELOPMENT

Company Sponsored Training

As **KANE** continues to grow and improve, we may, from time to time, ask you to participate in Company-sponsored training programs that we feel will facilitate your continued development as well as the quality of our Company's services. We welcome any input or feedback you may have regarding our training efforts.

Performance Reviews

We believe all of our associates need to have a clear understanding of what is expected of them and how well they are performing against these expectations. Therefore, your supervisor will communicate what is expected of you on the job. He/she will also evaluate your performance and then meet with you to communicate how well you are performing and developing in your job. You will be formally evaluated on an annual basis. If you are a new associate, you may be reviewed more frequently. You may also be evaluated in the event of a promotion, transfer, or other change in duties and responsibilities.

Your evaluation may or may not lead to an increase in pay depending on your performance during the period being reviewed. It is important that these reviews be conducted in a frank and constructive manner to ensure your employment at **KANE** continues to be a positive and rewarding experience. Consider your review not only as a way to learn more about ways to grow in your job, but as an opportunity to provide feedback to your supervisor regarding ways in which he/she can assist you.

Promotions

KANE strives to promote the most capable and experienced associates, based on their demonstrated ability to assume greater responsibility. By utilizing all opportunities for training and performing your job well, you may become qualified to fill a position of greater skill, responsibility and value at **KANE**. At the same time, we may need to recruit and hire outside the Company in order to attract the most qualified individual for a particular opening.

Associates may learn about advancement opportunities by means of electronic boards viewable through the self-service portal. To be eligible to apply for a posted vacancy, you must meet the minimum hiring specifications for the position and be in good standing in terms of your overall work record. You may submit your request for consideration for a specific position directly to your supervisor.

Transfers

You may be asked, from time-to-time, to transfer from one job location to another. Reasons for a transfer may include fluctuations in workloads, equipment breakdown, better utilization of personnel, and increased training opportunities. Such transfers (up, down, or laterally) will be made with a possible corresponding adjustment in pay. Transfer requests made by associates are considered on a case-by-case basis and approved at the sole discretion of **KANE**.

If you wish to apply for a transfer, you should discuss it first with your supervisor so it may be determined if your skills fit the requirements of the desired job.

COMMUNICATIONS

We make every effort to keep associates informed of matters regarding their job, benefits, employment terms, and special events. We encourage you to familiarize yourself with the many methods of communication we use including this handbook, the Associate Self Service Portal, bulletin boards, postings, staff meetings, and discussions or updates with your supervisor. You may take any of these publications home so your family may learn more about your job and your benefits, and stay up-to-date events here at **KANE**. You may also receive other information to your home address from time to time.

Open Door Policy

You may have heard the term “Open Door Policy” used as a way to describe a Company culture. At **KANE**, we not only use the term, we encourage the practice. In fact, at **KANE**, our door is always open! We encourage you to bring forward your suggestions and good ideas at any time about how our Company can be made a better place to work and our service to customers enhanced. We encourage you to participate in surveys that **KANE** conducts to solicit this feedback. Suggestions on how to improve safety in your job, building or the Company as a whole, better compliance, on how to improve profits by reducing expenses, or on how a job can be done more efficiently, are all welcome. **KANE** does not issue corrective action to associates for making honest, good-faith reports about actual or potential workplace problems or issues.

We also realize that in any organization, problems, misunderstandings, and differences of opinion can arise occasionally in daily work situations. Consequently, you should feel free to call or visit anyone at any organizational level to discuss your issues or address concerns. We believe that discussing and settling differences promptly and fairly will only make **KANE** a better place to work. We have created a procedure to enable you to reach a mutually satisfactory resolution. Whenever you have a problem or complaint, we ask that you communicate directly with us by taking the following steps:

1. Your immediate supervisor is most familiar with you and your job and is in the best position to assist you. Therefore, you should talk to him/her first. We find that the simplest, quickest, and most satisfactory solution will often be reached at this level.
2. Should an issue personally involve your immediate supervisor, or if you are unable to resolve it at that level, then you should seek the assistance of your Human Resource Representative.
3. If you have something you want to talk over that couldn't be resolved at those levels, then you should feel free to contact the Vice President of Human Resources or another Vice President of the Company, and then the President. They will ensure you will be heard and your concern will receive prompt consideration.

Alternatively, the Company provides a service that allows you to report situations anonymously. Under the standards of the **KANE** Code it is your responsibility to report problems such as, inventory theft, on the job substance abuse or harassment in the workplace. Remember - it is always best to resolve problems right away.

Electronic and Telephone Communication Systems

KANE provides various Technology Resources to authorized associates to assist them in performing their job duties. Each associate has a responsibility to use **KANE's** Technology Resources in a manner that increases productivity, enhances **KANE's** public image, and is respectful of other associates. Certain technology resources at **KANE** can be accessed only by entering a password. Passwords are intended to prevent unauthorized access to information.

Associates should not use another associate's password to log into Technology Resources or websites, nor allow other associates to use their password. Passwords do not confer any right of privacy upon associates of **KANE**.

For business reasons, KANE reserves the right to monitor Technology Resources and internet logs. Associates should understand, therefore, they have no right of privacy with respect to any equipment or messages or information created or maintained on **KANE's** technology resources, including personal information or messages. **KANE** may, in its discretion, inspect all files or messages on its Technology Resources at any time for any reason. All associates should understand that any information kept on **KANE's** Technology Resources may be electronically recalled or recreated regardless of whether it may have been "deleted" or "erased" by an associate. Failure to follow **KANE's** policies regarding Technology Resources may lead to corrective measures, up to and including termination of employment. Moreover, **KANE** reserves the right to advise appropriate legal authorities of any violation of law by an associate.

Technology Resources Definition. *Technology Resources consist of all electronic devices, software, and means of electronic communication including, but not limited to, the following: personal computers and work areas; lap-top computers; mini and mainframe computers; computer hardware; peripheral equipment, such as printers, modems, fax machines, and copiers; mobile devices; computer software applications and associated files and data, including software that grants access to external services, such as the Internet; e-mail; telephones; mobile devices; flash drives and other portable data storage devices; voicemail systems; and any type of electronic communication device.*

Social Media Guidelines and Media Inquiries

At **Kane Logistics (KANE)**, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager or consistent with the Company Equipment Policy. Do not use your **KANE** email addresses to register on social networks, blogs or other online tools utilized for personal use.

Associates are personally responsible for their words and actions, wherever they are. Ensure that your posts are completely accurate and not misleading, and that you do not reveal non-public information related to **KANE**. Exercise sound judgment and common sense, and if there is any doubt, do not post it.

Associates should not speak to the media on **KANE's** behalf without contacting the marketing and communications department. All media inquiries should be directed to them.

RECEIPT AND ACKNOWLEDGMENT OF THE KANE ASSOCIATE HANDBOOK

I, _____, acknowledge the following:

1. I have received a copy of the **KANE Associate Handbook**.
2. I understand I have no contract of employment, and that my employment is “at will”. This handbook does not create any express or implied contract between myself and **KANE**, and **no circumstances arising out of my employment will alter my “at will” employment relationship** unless expressed in writing, with the understanding specifically set forth and signed by myself and the President or Vice President of the Company.
3. This handbook is being presented to me as a matter of information and **not** as an express or implied guarantee of any benefits or policies that may be summarized herein. Therefore, any policies, rules and benefits described in this handbook are subject to change at any time at **KANE’s** sole discretion, with or without notice to me.
4. This handbook works in conjunction with all other previous versions of the **KANE Handbook** as of INSERT DATE.
5. I am responsible for reading this handbook in its entirety, familiarizing myself with all of its contents, and abiding by its requirements.
6. I am responsible for adhering to all **KANE** policies and procedures, whether or not they are expressly contained in this handbook. These policies include by are not limited to:
 - a. Safety Policies and Expectations
 - b. Code of Business Conduct
 - c. Confidentiality Agreement
 - d. Discriminatory Harassment Policy
 - e. Drug and Alcohol Free Workplace
 - f. Attendance Policy
 - g. Time Off Policy
7. I am responsible for speaking with my supervisor or a Human Resource Representative in the event I have questions regarding this handbook or any of **KANE’s** policies, procedures, or practices.
8. I understand that any rules, policies, and benefits described in this handbook may be modified or varied from by **KANE** at any time, except for the rights of the parties to terminate employment at will, which may only be modified by an express written agreement signed by both parties.

Associate’s Printed Name

Position

APPENDIX A

FMLA: Notice of Rights and Responsibilities

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible as for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the associate's child after birth, or placement for adoption or foster care;
- To care for the associate's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the associate unable to perform the associate's job,

Military Family Leave Entitlements

Eligible associates with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible associates to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Benefits and Protections

During FMLA leave, the employer must maintain the associate's health coverage under any "group health plan" on the same terms as if the associate had continued to work. Upon return from FMLA leave, most associates must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an associate's leave.

Eligibility Requirements

Associates are eligible if they have worked for a covered employer for at least one year, for 1,250 hours over the previous 12 months, and if at least 50 associates are employed by the employer within 75 miles.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the associate from performing the functions of the associate's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An associate does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically

treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Associates may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, associates must comply with the employer's normal paid leave policies.

Associate Responsibilities

Associates must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. Then 30 days notice is not possible, the associate must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Associates must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the associate is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or Circumstances supporting the need for military family leave. Associates also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Associates also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform associates requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the associates' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform associates if leave will be designated as FMLA-protected

and the amount of leave counted against the associate's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the associate.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An associate may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

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