

The Fudgery

Policies and Procedures

Effective Date: May 1, 2018



WELCOME TO THE FUDGERY!

In the late 1970's Papa Fudge (A.C. Marshall) watched fudge being made behind glass and thought, "If that glass wasn't there, if you could have some fun with the people watching, THAT would be a good idea for a fudge store!" With a sign in the window announcing, "Fudge Theater," he opened his first store on the Outer Banks in North Carolina and the world of fudge making hasn't been the same since.

POLICIES AND PROCEDURES

For the purposes of this document, all employees, including management, are considered to be Team Members.

Having fun is a condition of employment at The Fudgery, but so are our policies and procedures. There are two key elements that all Team Members must understand about these policies and procedures: none of them are optional and none of them will ever be in violation of local, state, or federal law. Policies and procedures give our company its special look and feel. They describe the way we want to do business. Our policies and procedures are not negotiable. Failure to follow these policies and procedures risks immediate termination of your employment with The Fudgery.

Company policies and procedures may be updated, supplemented, amended, abridged, altered or otherwise changed at any time by Memorandums from the Home Office, posters or signs posted in the backroom or new editions of Handbooks. Staying current with changes in policies and procedures is the responsibility of the individual. If you feel any policy or procedure is in violation of the law or good business ethics, immediately notify Home Office.

This employee handbook applies to all employees of the following entities: The Fudgery, Inc., The Fudgery Stores, Inc., The Fudgery of America, Fudge Kitchen, and The Fudgery Express. At hire, you will be told which of these is your employer.

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Section One: Employment at The Fudgery

1.1 Employment-At-Will

We hope that each Team Member's period of employment at The Fudgery will be a rewarding experience. However, we recognize that circumstances change with the passage of time and that some Team Members may seek opportunities elsewhere or choose to leave the company for other reasons. Further, some Team Members may not fulfill the operational needs and requirements of the company or changed circumstances may reduce available employment opportunities which may result in involuntary terminations.

We sincerely hope that none of these situations occur, but realistically we have to acknowledge that the possibility does exist. Therefore, the right of the Team Member or the company to terminate the employment relationship at will is recognized and affirmed as a condition of employment.

At will means that both Team Members and the company have the right to terminate employment at any time, with or without advance notice, and with or without cause.

1.2 Categories Of Employees

All Team Members are classified as “exempt” or “non-exempt” for purposes of federal and state wage and hour laws. These categories are described below. Company policies apply to all categories of employees.

Non-exempt Employees: Non-exempt Team Members are those individuals whose positions are subject to the overtime provisions of the FLSA. They may be paid either on an hourly rate basis or a salary basis. Non-exempt Team Members must receive overtime pay at the rate of one and one half (1 ½) times their regular rate of pay if they work more than forty (40) hours in a work week.

It is company policy to comply with the requirements of the Fair Labor Standards Act (“FLSA”), which is the federal wage and hour law. We prohibit improper deductions from the wages of exempt Team Members. We want Team Members to be aware of this policy and know that the company does not permit deductions that violate the policy. If you believe that an improper wage deduction has been made to your paycheck, you should immediately report this information to the Home Office. Reports of improper wage deductions will be investigated. If an improper deduction is determined to have occurred, you will be reimbursed.

Exempt Employees: Exempt Team Members are paid a salary and are typically supervisors, executives, professional staff, technical staff, or others whose duties and responsibilities qualify them as exempt from the overtime pay provisions of the Fair Labor Standards Act (“FLSA”). They may often be asked to work more than forty (40) hours in a work week, and they do not qualify for overtime pay. These individuals receive the same salary amount each work week, regardless of the number of hours they work. Deductions from pay may be made in full-day increments when an exempt employee is absent from work for one or more full days for personal reason, sickness, or disability, and in a few other limited circumstances (if no PTO is available to them).

1.3 Dismissals and Resignations

- If you choose to resign your position with us, we request a two week notice to be provided to your Manager in writing. The Fudgery reserves the right to accept your notice immediately, or to allow you to work your full notice.
- If you quit or are fired, your final paycheck will be available on our usual pay schedule, unless local or state law requires a different schedule for final paychecks.
- Team Members who quit or are fired will only be paid minimum wage for the remainder of their hours unless prohibited by local or state law.
- All Team Members are covered by the “Employee At-Will” Doctrine which allows for immediate dismissal without cause or prior notification. This doctrine recognizes that in some instances we might not work well together even though there isn’t a tangible reason for there to be an unproductive working relationship. At no time will The Fudgery base its termination on an unlawful reason, such as race, gender, or religion, nor will it ever fire a Team Member for reporting a health or safety violation. Nor would you ever be fired for a reason that violates the law or public policy. (There are additional protections given under our harassment policy.)

1.4 Job Abandonment, Misconduct, and Insubordination

The following are considered to be job abandonment, and we will accept such behavior as your immediate resignation without notice:

- Failure to be on time.
- Failure to be prepared.
- Failure of being able or willing to perform your duties.

The following are considered to be misconduct, and we will accept such behavior as your immediate resignation without notice:

- Failure to follow company guidelines
- Failure to follow Policies and Procedures.
- Failure to follow checklists.
- Demonstrating a negative attitude towards your work, other Team Members, customers or supervisors

Failure to follow legal, reasonable and justifiable instructions from a member of the leadership staff is considered to be insubordination. We will accept such behavior as your immediate resignation without providing notice.

Section Two: Respect the Uniform

2.1 Purpose of the Uniform

Your uniform is designed to keep you safe as well as give you a friendly, approachable appearance. Uniforms are not meant to be a personal fashion statement for you. Uniforms reflect the look and feel of The Fudgery. Uniforms are mandatory while working and may consist of company issued items and items you will personally need to supply. (NOTE: Where allowed by law, the cost of personal wear items will be deducted from your pay to the limit of minimum wage until the cost is recovered. You will always be paid at least minimum wage.)

Management reserves the right to determine the appropriateness of the Team Member's attire and the Team Member's compliance with this policy. Team Members who are not meeting these standards may be sent home, without pay (if non-exempt), to change into appropriate attire. Team Members who repeatedly fail to meet our dress standards may be disciplined, up to and including termination of employment.

If a Team Member has a medical or religious reason why he or she cannot strictly comply with our uniform, personal grooming and hygiene, and/or jewelry and accessories standards, he or she must discuss the issue with the Home Office to determine whether a reasonable accommodation may be granted. If no reasonable accommodation can be offered, the Team Member will either need to comply with the standards or resign from employment.

2.2 Uniform Standards

- **A Smile!** You are expected to show up for work with a positive attitude and maintain a positive attitude during your shift.
- **Fudgery Shirt:** Uniform shirts are supplied by the company and are considered to be personal wear items. Fudgery Shirts cannot be worn off the clock with the exception of transporting to and from your scheduled shift. Changing clothes may only be done in the restroom. Once worn, they cannot be returned to our inventory and are yours to keep. Shirts must be tucked in. Long sleeve shirts or jackets must not cover The Fudgery logo.
- **Tan, khaki, or black pants:** You must provide your own tan or black, khaki pants or shorts. Pants may not be sweat pants, jogging or work-out pants. Spandex, Lycra or other tight fitting fabrics are not permitted for pants or shorts. Shorts should be of a moderate length; they are not to be higher than 3 inches above the knee. Pants and shorts must be clean and in good repair. Torn, frayed, stained, excessively worn or faded pants or shorts are not permitted. For women, a knee-length tan, khaki skirt is allowed. Pants/shorts/skirts must be worn at the waist. Provide your own belt if needed.
- **White, Tan, Brown, or Black Non-Slip Safety Shoes:** You must provide your own shoes. Shoes must be slip resistant.
- **Socks:** Socks are required to be worn by health regulations. White socks or socks that compliment your uniform.
- **Undershirts:** If visible, an undershirt or t-shirt must be either white, black, or match the color of your uniform shirt.
- **Hair/Hats:** Health codes require hair to be restrained. Your hair must be off the collar. Team Members will wear a baseball style cap with the bill facing forward, a visor, or keep

their hair pulled back and off the collar. Hats and visors are considered to be personal wear items. The Fudgery may provide hats or visors. If not, you are required to supply your own. Hats must be G-Rated and family friendly.

- **Fudgery Apron:** The Fudgery provides the aprons. Aprons must remain inside the store. At the end of your shift, you are responsible for cleaning your apron and hanging it dry. Aprons should not be worn outside the store or while in the restroom.
- Uniforms must be neat, clean and wrinkle free with no tears, holes, rips, bleach marks or stains.
- Altering the uniform is prohibited.
- Smoking, buying or consuming alcohol while in uniform are prohibited, this includes break times as well.
- No illegal or lewd acts are tolerated while in uniform.

2.3 Personal Grooming and Hygiene

- **Hands must be kept clean.** All Team Members are required by health code to wash their hands with soap and water when entering or returning to the workplace, after using the restroom, after eating, handling money, or as needed during the work shift to keep hands clean and sanitary.
- **Fingernails must be clean and manicured.** (Required by health codes!)
 - No designs or ornaments on fingernails.
 - Women:
 - A working length, no longer than 1/4 inch.
 - Neutral or clear polish only.
 - Men:
 - No longer than 1/8 of an inch.
 - If polished, clear polish only.
- **Hair and appearance may need to be altered to meet company guidelines.** Hair may not be dyed, colored or tinted to an unnatural shade. Hair will be clean and combed.
- **Facial hair must be fully developed or shaved clean.**
- **No visible tattoos.** If needed, your Manager can order a long sleeved uniform shirt from the Home Office. Long sleeved shirts may cost more than short sleeved shirts.
- **Make-up must be kept light and simple.**

2.4 Jewelry and Accessories

- **Rings are limited to one on each hand.** (Wedding and engagement rings count as one.)
- **Earrings** must not hang lower than 1/2 of an inch from the earlobe. Earrings must be plain and simple.
- **Gauging or other ear ornaments are not allowed.**
- **No necklaces, chains, or mouth pieces** visible while in uniform.
- **No facial jewelry** of any kind is permitted, except for earrings.
- **Bracelets and watches are limited to one on each arm.**
- **No piercings** may show other than earlobes, no other pierced body part may be displayed.

Section Three: Attendance and Conduct Standards

3.1 Attendance

- Regular and on-time attendance is required. Absenteeism and tardiness impacts your coworkers, customers, and the bottom line, and it will not be tolerated.
- You must be on time.
- Being on time means being in the right uniform, ready to start work by your scheduled time.
- Be on time returning from breaks.
- Attendance to meetings (in-person/over the phone/virtual) is a condition of employment.
- You are responsible for time punches for your shifts and breaks using the time clock system provided. If you forget to clock in or out, notify your supervisor immediately. Only the Home Office is authorized to adjust time punches. Do not allow another Team Member to clock you in or out; nor should you clock someone else in or out. Check with your Team Leader before clocking in or out. You can print out a copy of your recorded hours at a cash register.
- If there is an emergency that will prevent you from reporting to your shift or being on time to your shift, you must contact your store leadership as far in advance as possible. Management will determine whether the absence or tardiness will be excused or will result in discipline, up to and including termination of employment.
- You are expected to complete your work in a reasonable time period to the appropriate standard. Padding the time clock or working longer than your scheduled hours will result in disciplinary action and may result in the loss of your job. You will always be paid for all the hours you work.
- Any Team Member who is absent for at least two (2) work days without informing their manager will be deemed to have resigned as of the date of the last shift worked.

3.2 Conduct Standards

The Fudgery expects all Team Members to abide by certain work rules of general conduct and performance at all times. The following list is not all inclusive, but it does provide some guidelines about what we expect from our Team Members. Violations of these standards may result in disciplinary action, up to and including termination of employment. There is no right to progressive discipline, and even a “first offense” can result in immediate termination. Management reserves the right to impose discipline in its discretion based on the individual circumstances.

- Provide prompt, courteous and friendly service to all customers without discrimination.
- Give full cooperation to your supervisors and treat them with respect.
- Insubordination is not acceptable.
- Follow all safety and health rules at all times.
- Work well with others without discrimination, harassment or retaliation.
- Do not argue with customers or other Team Members.
- Do not swear, use obscene language or gestures. We’re a “G”-rated and friendly family workplace!

- Work well when unsupervised. Unsatisfactory work, poor performance, and waste of supplies/time will not be tolerated.
- Perform your tasks fully, completely and in a timely manner.
- Report problems to your Manager, especially if it's an illegal activity or if a situation can result in an unsafe workplace for yourself or others.
- No smoking in or around The Fudgery. The Fudgery is a no smoking zone.
- Trash compactors may only be operated by Team Members at least 18 years old.
- Do not falsify any employment record, including without limitation, job applications, time records, records pertaining to absences from work, expense reports, or reports about injuries or incidents occurring on company premises.
- Do not disclose confidential company or coworker information.
- Violence or threats of violence will not be tolerated.
- If you operate a company vehicle as part of your job duties, or a personal vehicle to carry out job duties, you must comply with all applicable motor vehicle laws.
- Comply with attendance and tardiness standards at all times.
- Do not engage in unauthorized use of company property or products.
- Do not sleep or appear to be sleeping on the job.
- Theft or other acts of dishonesty will not be tolerated.
- Work time is for work. Any conduct which interferes with the work time of you or your fellow Team Members will not be tolerated.
- If you are off duty, do not loiter around the store.
- It is not permissible for your friends or family to routinely stop by to visit or conduct personal business.
- All members of management, or anyone in a supervisory role, is strictly prohibited from discussing their own wages and earnings with anyone equal to, or below them, in the reporting chain. Violations of this policy can be grounds for disciplinary action, up to termination.

Section Four: Store Operations

4.1 Checks and Traveler's Checks

- We accept checks for the amount of purchase only.
- We cannot accept temporary or starter checks. Checks must be pre-printed with the customer's name and address.
- It is okay for a check to be drawn on an out of town or out of state bank.
- No additional I.D. is required for checks under \$25.00. Simply verify the information on the front of the check. For checks over \$25.00, also record their driver's license number and state on the front of the check.
- We accept traveler's checks.
- Traveler's checks must be signed in front of you. If the signatures do not match, ask to see a driver's license or passport. If the signatures still do not match, immediately alert your manager. Never accept a traveler's check that has already been signed in both places.
- Make sure you understand the monetary value of the check. Make sure it is payable in U.S. funds.
- Make all checks payable to The Fudgery.

4.2 Handling Cash

- Carelessness in handling money will not be tolerated.
- Prior to issuing your register station, the funds inside your register have been verified by your Shiftleader. Your register will be checked at the end of your shift. If you do not stay for the verification, you may still be held responsible for any shortage.
- Team Members do NOT share cash registers.
- We do not accept foreign currency. All purchases must be paid in U.S. funds.
- Alert your manager before accepting bills of \$50.00 or more.
- No change should be given for bills larger than \$20 even if a purchase is made.
- Test \$20 bills and above with the counterfeit detection pen.
- You may not solicit tips.
 - No tip cups.
 - If a customer offers you a tip, you must refuse it three times. If they still insist on tipping, accept it graciously. The tip is included with the nightly deposit.
- To help protect your drawer, we do not make change. Should someone ask, apologize and explain you cannot open the drawer without a sale.
- Team Members may purchase products for a 50% discount. This discount may be applied to your immediate family, but no further. Extended family members may be offered our Mall Employee Discount. Only members of the leadership staff may conduct discounts.
- Mall Employees who either work for the mall or at a store in the mall may receive a discount not to exceed 15%, unless required by the mall to do otherwise. Only members of the leadership staff may conduct discounts. Your Manager may reduce the amount of discount offered to mall employees, but not increase it.
- Special discounts may be offered from time to time, for example, a Senior Citizen discount. These special discounts may not be combined with existing percentage discounts.

4.3 Store Telephone

- The telephone is for management use only. If it is for you, they will hand the phone to you or take a message.
- Do not accept collect calls. No long distance calls are allowed.
- The telephone should be answered by management only. Answer the phone only if directed by a member of management. If directed to answer the phone, do so as follows: “Hello, The Fudgery at _____. This is _____. How may I help you?”
- Management and Team Member information is never given out over the telephone, especially phone numbers.
- Customers are not allowed to use our telephone.
- Do not accept or authorize phone orders for things like yellow page ads, web pages, cash register tape, etc. Your Manager knows where to order our supplies.

4.4 Vendors, Inspectors, and Deliveries

- No one may enter the work area of a store unless they are in a Fudgery uniform except authorized delivery personnel and government officials with proper I.D. (This includes other Team Members.)
- Delivery personnel are not to enter the work area of the store during a show.

4.5 Information Requests

- The Fudgery is a privately held corporation and all of our business practices are confidential. This includes (but is not limited to) our recipes, training systems, manuals and all other policies, procedures and business practices. Under no circumstances should you discuss business details (including sales information) about The Fudgery with another person.
- Information shared with you is considered to be confidential and not to be discussed with other Team Members. This can include something as simple as a phone number to how a certain task is performed. Without your Manager’s direction, it is not okay for you to show someone else how to work the cash register or perform another part of your job.
- Wages, loss prevention issues, hours, complaints, evaluations, investigations, etc., are always to be treated as confidential. In some instances, (for example, in the course of a harassment investigation) your ability to maintain confidentiality may be required by law and you could be risking legal action being taken against you.
- Openly discussing confidential information may lead to disciplinary action, including termination
- Always feel free to discuss ANY topic with your Manager or higher. In fact, you are encouraged to talk openly to your Manager or higher about any issues you are having on the job.
- While The Fudgery’s leadership team maintains an open door policy, you are still encouraged to follow the chain of command by giving your complaints, suggestions and

ideas first to your Manager and trust they will take the appropriate action. If the problem IS with your Manager, then please feel free to contact Home Office.

- If someone inquires financial information about The Fudgery, including other Team Members, simply tell them business is “good” or “slow.”
- Direct all inquiries for information about the store or the company to your Manager.
- The only information that is NOT controlled would be your manager’s full name, your store’s address, the store’s phone number, as well as The Home Office Information.
- NEVER hesitate to give out the Home Office contact information:

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Gainesville, GA 30501
(770) 287-1990
homeoffice@fudgeryfudge.com
customerservice@fudgeryfuge.com
www.fudgeryfudge.com

Section Five: Accommodating Schedules

5.1 Scheduling

- Schedule requests must be submitted to your Manager in writing prior to the new schedule being posted. Your Manager begins working on the next week's schedule as early as 7-14 days before the schedule is released.
- You are responsible for your scheduled hours. If you are unable to work, you must find your own replacement. All schedule changes must be approved by your Manager.
- You may not exchange shifts without your Manager's approval.
- You are expected to be flexible enough to accommodate your employer's needs, especially during slack or busy times. On busy days, extra hours may become available. On slower than expected days, labor may be cut.
- Weather, holidays or sickness of other Team Members may affect scheduling.
- Any Part-Time Team Member who works overtime without prior authorization from management may be subject to discipline, up to and including termination of employment.
- Schedules can be printed at the cash register station.
- If you are ill, we would prefer you stay at home. If you are unable to work, you must notify your manager as soon as possible; never later than an hour before the scheduled start of your shift.

5.2 Child Labor Laws

All Fudgery Team Members must comply with all Child Labor Laws for each appropriate state. Please contact Home Office should you have any questions.

5.2.1 Work Permits Required by State

State	Work Permit	
	Employment Certificate	Age Certification (i.e. birth certificate)
Alabama	Under 18 issued by school	N/A
California	Under 18 for minors enrolled in school	N/A
Florida	N/A	Under 18 issued by school
Georgia	Under 18 issued by school	N/A
Kentucky	N/A	Under 18 issued by school
Louisiana	Under 18 issued by school	Under 18 issued by school
Maryland	Under 18 issued by labor department	N/A
Missouri	Under 16 issued by school	16 and over issued by school
North Carolina	Under 18 issued by labor department	N/A
South Carolina	N/A	N/A
Tennessee	N/A	N/A
Texas	N/A	Under 18 issued by labor department
Virginia	Under 16 issued by labor department	Over 14 issued by labor department
Wisconsin	Under 18 issued through permit officers	Over 18 issued through permit officers

5.2.2 Minor Hours Permitted to Work When School IS In Session

State	Maximum Hours Workable			
	Maximum daily/ weekly hours permitted to work when school <u>IS</u> in session		Night work PROHIBITED when school <u>IS</u> in session	
AGES	Under 16	16-17	Under 16	16-17
Alabama	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	10 pm- 5 am
California	3 hrs daily; 18 hrs weekly	4 hrs daily; 28 hrs weekly	7 pm - 7am	10 pm- 5 am
Florida	3 hrs daily; 15 hrs weekly	8 hrs daily; 30 hrs weekly; 6 days a week	7 pm - 7am	11 pm - 6:30 am
Georgia	4 hrs daily	N/A	9 pm - 6 am	N/A
Kentucky	3 hrs daily; 18 hrs weekly	6 hrs daily; 30 hrs weekly	7 pm - 7am	10:30 pm - 6 am
Louisiana	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	N/A
Maryland	4 hrs daily; 23 hrs weekly	N/A	8 pm - 7 am	8 consecutive hrs of nonwork/ school in each 24 hr day
Missouri	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	N/A
North Carolina	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	N/A
South Carolina	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	N/A
Tennessee	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	10 pm-6 am
Texas	8 hrs daily; 48 hrs weekly	N/A	10 pm - 5 am	N/A
Virginia	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	N/A
Wisconsin	3 hrs daily; 18 hrs weekly	N/A	7 pm - 7am	N/A

5.2.3 Minor Hours Permitted to Work When School is NOT In Session

State	Maximum Hours Workable			
	Maximum daily/ weekly hours permitted to work when school is <u>NOT</u> in session		Night work PROHIBITED when school is <u>NOT</u> in session	
AGES	Under 16	16-17	Under 16	16-17
Alabama	8 hrs daily; 40 hrs weekly; 6 days a week	N/A	9pm - 7 am	N/A
California	8 hrs daily; 40 hrs weekly; 6 days a week	8 hrs daily; 48 hrs weekly; 6 days a week	9pm - 7 am	12:30 am - 5 am
Florida	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A
Georgia	N/A	N/A	N/A	N/A
Kentucky	8 hrs daily; 40 hrs weekly	8 hrs daily; 48 hrs weekly	9pm - 7 am	1 am - 6 am
Louisiana	8 hrs daily; 40 hrs weekly	11 pm – 5 am	9pm - 7 am	12 am - 5 am
Maryland	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A
Missouri	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A
North Carolina	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A
South Carolina	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A
Tennessee	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A
Texas	8 hrs daily; 48 hrs weekly	N/A	12 am - 5 am	N/A
Virginia	8 hrs daily; 40 hrs weekly; 6 days a week	N/A	9pm - 7 am	N/A
Wisconsin	8 hrs daily; 40 hrs weekly	N/A	9pm - 7 am	N/A

5.3 UNPAID Break Requirement for Team Members of All Ages by State

State	Required Breaks for Minors	Required Break for Non-Minors
Alabama	30 min after 5 hr	None
California	30 min for 5 hr+ and 30 min for 10 hr+ (unless consent given by Team Member/employer)	5 hrs = 30 min break; if not working more than 6 hr no break; more than 10 hrs = second break of 30 min; if not working more than 12 no break w/ consent from Team Member/employer; no break given=pay additional hour at regular rate
Florida	30 min after 4 hr*	None
Georgia	N/A	Employers are required to give breast feeding breaks and to make accommodations for Team Members who worship (religious, social, and physical needs).
Kentucky	30 min after 5 hr	break at middle of shift not less than 3 hrs or more than 5 hrs into shift; every 4 hrs a 10 min rest period
Louisiana	30 min after 5 hr	None
Maryland	30 min after 5 hr	
Missouri	N/A	None
North Carolina	30 min after 5 hr	None
South Carolina	N/A	None
Tennessee	30 min in 6 hr or longer shift (not in first hour)	if working 6 hrs=30 min break; must give breastfeeding breaks
Texas	N/A	None
Virginia	30 min after 5 hr	None
Wisconsin	30 min in 6 hr or longer shift	None

Section Six: Payroll Procedures

6.1 Team Member Paperwork

- All new hires and re-hires must have completed all new hire paperwork before they ever begin working in a store.
- All Team Member paperwork must be submitted by Tuesday morning at 10:00 a.m. Eastern Standard Time to be considered for that week's payroll. Any paperwork that is submitted to Home Office after 10:00 a.m. Eastern Standard Time on Tuesday morning will go into effect for the next week's payroll.
- If a Team Member is on a payroll report, and Home Office has not received their new hire or re-hire paperwork by Tuesday morning at 10:00 a.m. Eastern Standard Time, Home Office will not be able to pay that Team Member during that pay period; the Team Member's pay will be delayed and will show up on the next week's paycheck.
- If a Team Member has not worked in the past 60 days, and would like to be re-hired, they must fill out all new paperwork before beginning to work in a store.

6.2 Payday and Payroll Periods

- Our payroll period runs from Monday to Sunday. Paystubs are emailed, and paychecks are deposited, on the first Friday following the end of the pay period. If payday falls on a legal holiday, you will be paid on the first legal business day prior to Friday. For example, July 4th is always a legal holiday. If July 4th falls on a Friday (payday), you will be paid on July 3rd.
- No one may be issued a paycheck earlier than the official payday.
- If you quit or get fired, your final paycheck will be available to you on the usual payday following the conclusion of the payroll period unless local or state law requires a different payment date.
- The Fudgery does not provide advance pay to any Team Member under any circumstances.
- The Fudgery cannot be held responsible for paychecks after they are mailed out of the office.
- Checks that are lost, stolen or misplaced after being mailed are your responsibility. If you lose your check and would like to request a replacement check, please understand that The Fudgery cannot issue a replacement check for you without issuing a stop payment order on the original paycheck. The cost of the stop payment fee is your responsibility and must be paid before a new check is issued.
- Mistakes with your paycheck should be brought to the attention of Home Office who will address it. If adjustments are required, they will be made on the next pay period and will be reflected in your next pay check.
- We do not cash paychecks or any checks.

6.3 Direct Deposit Policy

In the following states, The Fudgery can legally mandate all Team Members to sign up for direct deposit.

- Alabama

- Kentucky
- Louisiana
- Missouri
- North Carolina
- South Carolina
- Tennessee
- Texas
- Wisconsin

If you are working in one of the above states, you are required to turn in a direct deposit slip within two pay periods of your first working date (two Fridays). If direct deposit information is not turned in to the home office before this time, a direct deposit account will be made for you, and your paychecks will start being deposited into that account. The ATM card and all pertinent information related to the bank account set up by the company for the Team Member will be sent to the team member's physical address. The Team Member will be responsible for any costs associated with opening the account on the Team Member's behalf, and such costs may be deducted from the Team Member's wages to the fullest extent permitted by law. The Fudgery is not responsible for any fees associated with the account after the account has been created.

If you are located in another state, direct deposit is strongly encouraged, as it eliminates the risk of lost or stolen checks, and it ensures your wages are available to you immediately upon pay day.

6.4 Pay Rate

- You will always be paid at least minimum wage for hours required or permitted in accordance to the prevailing laws governing your store.
- Deductions from your paycheck will never prevent you being paid at least minimum wage.
- Minimum wage is established by federal, state and local law. You will always receive the greater amount required by law.

6.5 Paycheck Withholdings

- The Fudgery is required by law to make certain deductions from your paycheck each time one is prepared. Among these are federal, state and local income taxes and your contribution to Social Security as required by law. These deductions will be itemized on your check stub or direct deposit slip. The amount of the deductions will depend on your earnings and on the information you furnish on the W-4 form regarding the number of dependents/exemptions you claim. The W-2 form you receive for each year indicates precisely how much of your earnings were deducted for these purposes. Other deductions, such as for any optional benefits offered by the company, may also occur.
- Further, the company reserves the right to deduct from the wages of any non-exempt Team Member, including final pay check, for any debt or obligation to the company including but not limited to: loans, inadvertent overpayment of wages, theft, breakages, losses caused by the Team Member's intentional acts or carelessness, damage to property or equipment, cash register shortages, reimbursement for uniform costs, repayments owed under any company policy, company property not returned at time of termination, etc. If you have any questions about deductions from your payroll, please contact the Home Office. Even if

deductions are made from your wages, you will always be paid at least minimum wage for each pay period you work.

- Carelessness in handling money will not be tolerated. Shortages of \$1.00 or more will be withheld from your paycheck if you are a non-exempt employee.
- Carelessness in using or caring for equipment, tools, stores and supplies will not be tolerated. You may be held responsible for damages occurring due to abuse, negligence or vandalism if you are a non-exempt employee.
- Carelessness in handling money or equipment would be grounds for immediate termination.
- Do not let a customer confuse you while the cash drawer is open. If you feel uncomfortable with a transaction, alert your Manager immediately.
- To help protect your drawer, we do not make change. Should someone ask, apologize and explain you cannot open the drawer without a sale.
- If you think a mistake has been made on a cash register, alert your supervisor immediately to avoid an honest mistake appearing as a shortage.
- Overrings are treated as shortages and require a deduction.
- Deduction forms are not admissions of guilt or wrongdoing. Deduction forms are used to demonstrate you accepting responsibility for the company's loss.

Section Seven: Travel Policy

7.1 Travel Overview

Certain Team Members may be selected at times to travel for The Fudgery. Travel is defined as exceeding 100 miles roundtrip from your home store. If you are selected to travel, keep in mind that you are an ambassador of The Fudgery brand everywhere you go on business. Whether you're in a store or not, a tiny piece of our reputation is traveling with you. Illegal, immoral, or disrespectful behavior will not be tolerated. Nearly all of your travel documents can be traced back to The Fudgery.

7.2 Prior to Your Departure

Before you leave on your trip, we will work out the following details with you:

- Mode of transportation and reimbursement for transportation costs.
- Per Diem amount, if any.
- Lodging arrangements, if needed.
- Dates of travel.
- Assignment, duties, responsibilities, and goals of your trip.

If any of these details are not acceptable or need further clarification, ask before you leave!

7.3 Forms of Notification

Before and as you travel, we'll need to communicate with you. You need to have the following available methods available for us to use:

- A working cell phone that is able to send and receive calls.
- A working email account.
- Text messaging.

7.4 Changes or Emergencies

You will have a point of contact assigned to you from the Home Office.

- Contact this person immediately if you encounter any difficulties while traveling, including: missed flights or buses, problems with reservations, or personal issues that will impact your travel.
- If you cannot reach your point of contact, immediately reach out to the Home Office, Ace, Jennifer, or Steve.

7.5 Changes to Travel

Whenever you're traveling with The Fudgery, there is a goal in mind and a mission to achieve, but occasionally, even the best laid plans require adjustments.

- We're counting on you to arrive on time, ready to travel or work, based on the travel arrangements we've made with you. Missing a reservation will be treated the same as missing a work shift.
- If we need to make changes to your travel, we'll notify you via phone, email, or text.
- If you need to make changes to your travel, notify your point of contact for approval. None of our arrangements are to be changed or adjusted without approval.

7.6 While on Assignment

- Show up to work on time, in the right uniform, with a positive, "Can-do" attitude. You've been selected to work out of town because of your unique skillset. Now is a great time for you to show us just how good you are!
- Set the example with your uniform, attitude, and work ethic. Expect everyone in the store to follow your example and make it a good one.
- Follow ALL of our Policies and Procedures to the letter.
- Do not date other Team Members. Be extra mindful of appearances, for example, a simple dinner after work can be misinterpreted by others.
- Time off work will be worked out in advance. Expect long days filled with lots of hours. You're sent out of town to work and accomplish a goal. Focus on the goal.
- Communicate with loved ones back home, keep them in the loop about your trip.

7.7 Personal Conduct and Reporting Requirements

- Immediately report any and all unsafe conditions to your point of contact.
- During or prior to your departure, you may be trusted with confidential information related to your travel, including the times, dates, and place of your travel. You may be required to sign a confidentiality agreement.
- Health code violations observed in the store are immediately corrected and reported to your point of contact.
- Safe work practices are immediately corrected and reported to your point of contact.
- Violations of Policy, Procedure, company guidelines, including recipe books, style guides, manuals and memorandums are immediately corrected and reported to your point of contact.
- Violations of labor law are immediately corrected and reported to your point of contact.
- Conduct yourself in a professional manner at all times, inside and outside the marketplace.
- Do not develop personal relationships with other Team Members or others associated with the marketplace, including other Team Members who work at the same marketplace for other companies.

7.8 Travel, Housing, and Compensation Arrangements

Not all of these will apply to every travel situation. Please follow accordingly.

7.8.1 Rental Vehicles

- If you are traveling more than 200 miles one-way from your home store, then you have the option of requesting a rental car.

- Before we will rent you a car, we must have a photo copy of your current license on file.
- You must be 25 years of age for us to rent you a car.
- For a rental car, we will pay for all gas, tolls, and parking fees.
- Decline all extra insurance. If you're traveling for The Fudgery, we've got you covered.
- Decline prepayment of fuel. Plan on returning the vehicle with a full tank of gas.
- Decline all upgrades and add-ons. You will be held responsible for any additional charges.
- Only the designated driver may drive the vehicle. It is never okay to let another Team Member borrow a rented vehicle.
- Parking and speeding tickets are your responsibility, along with any fines related to unpaid tolls. (Most tolls can be submitted as expenses on your expense account report for reimbursement, but not the extra expense of a penalty for an unpaid toll.) You are responsible for any legal infraction incurred while driving a leased vehicle.
- No smoking in rental vehicles.
- You are responsible for any damage you may have caused to a leased vehicle, including penalties for smoking in the vehicle, excessive cleaning fees, etc.

7.8.2 Personal Vehicles

- When using a personal vehicle we will reimburse you at the rate of 54.5 cents per mile. We will use Google Maps to determine the miles traveled. While on location, travel to and from the store is considered commuting time and not deductible or reimbursable per the IRS. We will not reimburse for any gas that is covered with the 54.5 cents per mile.
- All repairs and routine maintenance remain your responsibility unless otherwise agreed upon prior to the start of your trip.
- We will pay for all tolls and parking fees.
- Parking and speeding tickets are your responsibility, along with any fines for unpaid toll charges. (Most tolls can be submitted as expenses on your expense account report for reimbursement, but not the extra expense of a penalty for an unpaid toll.) You are responsible for any legal infraction incurred while driving a personal vehicle.
- In-town travel is not a company reimbursable expense. For example, traveling between your hotel and work or traveling between stores.

7.8.3 Airline, Bus, or Train Travel

- Upgrades or seat reassignments are at your personal expense.
- Arriving on time to travel is your responsibility, along with making arrangements to arrive on time.
- For trips lasting five days or more, we will pay for your first checked bag. Additional bags are at your personal expense. Most airlines allow one personal item that will fit beneath the seat in front of you and one small bag that will fit in the overhead bin. If there is a fee to use the overhead compartment (uncommon), we will reimburse that expense.
- Overweight baggage fees are your responsibility.
- Disruptions to schedule travel must be reported to your point of contact. Keep them in the loop, even when it's not your fault.

7.8.4 Living Arrangements

- You should expect to be provided with a safe, clean living arrangement for your off-duty hours that includes Internet access at no cost to you. Any expense for upgraded Internet service will be at your expense without prior approval from your point of contact.
- Living arrangements may include a hotel room or corporate housing. You may be required to share a room with a member of the same gender. In the case of corporate housing, you will always be provided with same gender sleeping arrangements and private bath facilities.
- In a shared living arrangement, whether it's corporate housing or a sharing a hotel room, quiet time is from 11 PM to 7 AM. During these hours, provide your roommate or housemates with a quiet, dark environment for sleep.
- No illegal drugs or alcohol is allowed on premises.
- No smoking inside or around entry ways on premises.
- No guests are allowed on premises.
- Respect the allergies and sensitivities of your roommate or housemates. For example, if someone has a known allergy to peanuts, do not bring any nut products into the space. The same, reasonable conditions applies to colognes or cooking choices with strong aromas.
- You are responsible for any damage or extra cleaning fees applied to company provided living spaces.

7.8.5 Compensation, Reimbursement, and Communication

- For exempt team members, travel is considered to be part of your normal salary with no additional compensation.
- For non-exempt team members, travel is compensable at your normal hourly rate.
 - For air, train, or bus travel, we will compensate for flight/trip time plus 1 hour.
 - For travel via car, we will compensate for the time stated on Google Maps. It is not necessary for you to keep up with your travel time for reimbursement.
 - All compensation for hours traveling will be paid as part of the normal work week.
- After your trip is complete, we will reimburse you for all applicable expenses, such as mileage, per diem (currently \$22 per day) and any other approved fees.
 - Upon returning from your trip, you must submit all receipts, etc. and complete an "After Action Form."
 - We will reimburse you within 3 business days after all required paperwork has been submitted and a request has been sent to home office.
 - Reimbursements will be made via direct deposit into your normal bank account on file.
- You are responsible for making sure home office has your travel dates, arrangements, and any requested reimbursements. You will not be paid or reimbursed until you notify home office!
- If you require cash advanced before you travel, you will need to submit a request at least 3 business days before trip. Advances will be approved on an individual basis.
- Extended lodging is lodging that lasts longer than 7 days and when a kitchen is provided. In this case you will be reimbursed for mileage traveling to/from the destination and per diem on travel days. However, you will not be provided per diem or mileage while on location.

Section Eight: Electronic Policies

8.1 Electronic Allowance Policy

- Cell phones are NOT allowed on your person while working.
 - Your cell phone should be turned off (on vibrate is not OFF!) and put away.
- Cell phones are not part of your uniform.
- Only the store management may have their cell phone available during working hours.
- If your friends or family must contact you while you are at work, they may call the store phone number, but please explain to your friends and family you are not allowed to receive phone calls at work unless it is an emergency. (Emergency means just that, personal or family illness. Your evening social plans are not an emergency.)
- You must not read, text your friends, or conduct personal business while on the clock.
- No electronic devices or headphones are allowed to be used during working hours.

8.2 Social Media Policy

When posting about The Fudgery, Team Members are required to conduct themselves in a professional manner when using social networking sites and/or blogs.

Team Members making personal use of social media are prohibited from making online postings that are: false, profane, obscene, threatening, intimidating, defamatory, discriminatory, or harassing about The Fudgery, its customers, its competitors, or its Team Members; that discloses confidential or proprietary information or trade secrets; or that violates any laws.

Team Members must use utmost care in what they publish or post on social networking sites and blogs, even if they believe such sites or blogs have privacy settings. The Fudgery reserves the right to monitor posts and to discipline Team Members, up to and including termination of employment, based on their content. Nothing in this rule is designed to interfere with, restrain, or prevent Team Member communications regarding wages, hours, or other terms and conditions of employment.

8.3 Cyber Security Policy

The Fudgery has a duty to take reasonable measures to safeguard all team member personal information. In the event that a cyber breach should occur, The Fudgery will advise Team Members who have been impacted in a timely and legally compliant manner.

8.4 Fudgery Email Policy

A company issued email account with The Fudgery domain is provided to some members of Fudgery management who frequently travel or have large responsibilities. Any individual who does not adhere to the following policies and procedures risks revocation of their email privileges and/or disciplinary action up to and including termination of employment.

- Fudgery email accounts will be issued to leadership team members only by the Home Office.
- Fudgery email accounts will only be used for business purposes.

- It is against company policy for any non-exempt employee to read or send work-related emails while “off the clock.” No work, including reading or sending emails, may occur while a non-exempt employee is “off the clock.”
- The Fudgery reserves the right to enter, search, and monitor all Fudgery email accounts, without advance notice. You should assume that any email sent or received on a Fudgery email account is being monitored. Team Members should have no expectation of privacy in any communications (including but not limited to emails) that are sent or received using The Fudgery’s equipment, servers, email accounts, or internet accounts, even if password protected.
- Team Members may not use company email accounts for illegal purposes; to harass or discriminate against another; to disclose confidential or proprietary information or any copyrighted material, trademarks, trade names, or personal images in violation of any laws or rights of others; for product advertisement or political lobbying; to disseminate, download, or otherwise use destructive programs (i.e. viruses and/or self-replicating code); or for any other use that violates the company’ policies or is otherwise not in the best interests of The Fudgery.

Section Nine: Weapon and Drug Policies

9.1 Weapon Policy

Team Members may not, at any time while on any property owned, leased, or controlled by The Fudgery, including anywhere that company business is conducted, such as customer locations, client locations, trade shows, restaurants, company event venues, and so forth, possess or use any weapon. They are also banned in any location in which the Team Member represents the company for business purposes, including those listed above. Even those Team Members who may have a state-issued license to carry a concealed weapon are prohibited from bringing such concealed weapon onto any property owned, leased or controlled by The Fudgery.

Weapons include, but are not limited to, guns, knives or swords with blades over four inches in length, explosives, and any chemical whose purpose is to cause harm to another person.

Possession of a weapon can be authorized by the Home Office to allow security personnel or a trained Team Member to have a weapon on company property when this possession is determined necessary to the safety and security of company employees. Only the Home Office may authorize the carrying of or use of a weapon in any of the locations covered by this policy.

Team Members who violate this policy will be subject to disciplinary action, up to and including employment termination.

9.2 Drug Testing Policy:

All Team Members are strictly prohibited from selling, purchasing, using, consuming, possessing, manufacturing, distributing, dispensing, or transporting Illegal Drugs or Drug-Related Paraphernalia while on any Covered Premises and/or while engaged in the course and scope of duties for The Fudgery at any location and/or while in The Fudgery uniform.

Team Members are also strictly prohibited from reporting to work or working while under the influence of Illegal Drugs or alcohol.

Any violations of this policy may result in disciplinary action, up to and including termination of employment.

Covered Premises includes all property owned, leased, or controlled by The Fudgery, including wherever company business is conducted, such as customer locations, client locations, trade shows, restaurants, company housing, and company event venues.

Drug-related Paraphernalia is any material or equipment used or designated for use in testing, packaging, storing, distributing, transporting, injecting, ingesting, inhaling or otherwise introducing into the human body any illegal or unauthorized drugs covered by this policy.

Illegal Drugs are drugs for which the use, sale or possession is prohibited by federal and/or state laws. This includes but is not limited to narcotics, hallucinogens, depressants, stimulants, inhalants and other substances capable of creating or maintaining effects on one's physical, emotional, or mental state, such as marijuana, cocaine, opiates, phencyclidine and amphetamines. It also includes prescription medications that: (1) are not prescribed to the applicant or Team Member who is

taking them; or (2) have been prescribed to the applicant or Team Member who is taking them but are being used in unauthorized doses or otherwise being abused by the applicant or Team Member.

The Fudgery may maintain a drug-testing program that may include the following components.

9.2.1 Pre-Employment Testing:

A pre-employment drug test may be required of all prospective Team Members to whom a formal conditional employment offer has been made.

9.2.2 For-Cause Testing:

When a supervisor observes behavior or performance problems that could adversely affect an individual's personal safety or the personal safety of others, or otherwise has probable cause to suspect that drugs have been used, the supervisor may notify Human Resources to determine whether a drug test for cause should be conducted. No prior notice is required to test for cause. Whether cause for testing exists is determined in the sole discretion of The Fudgery. Cause may include, but is not limited to, odor or residual odor peculiar to drugs or alcohol, observance of drug paraphernalia or alcohol, and unusual, irrational or erratic behavior.

9.2.3 Post-Accident Testing:

The Fudgery may require a post-accident drug test of all covered persons near the scene following an on-the-job accident, injury, or incident.

9.2.4 Testing Procedures:

- All testing will be done by a certified test laboratory.
- If a Team Member's drug test result is determined to be positive (in excess of the levels established by applicable federal or state regulations), the testing laboratory will notify The Fudgery of the test result.
- Human Resources may contact the applicant or Team Member to determine whether there is a legitimate explanation for the confirmed positive test result. The applicant or Team Member may request that the sample be sent to a second certified test laboratory for confirmatory testing at the Team Member's expense.
- Only those persons with a "need to know" will be provided information regarding a drug test and/or its results, consequences and status.
- Nothing in these procedures or this policy in any way limits The Fudgery's right to take disciplinary action, including termination of employment, as a result of a positive drug test or the determination of any blood alcohol level.

9.2.5 Refusal to Test:

Any individual refusing to be tested will be deemed to have failed the drug or alcohol test. Refusing to test includes but is not limited to directly refusing to be tested, not appearing for a required test at the specified time and date set by The Fudgery, being disruptive during testing, and adulterating or attempting to adulterate a test sample. Team Members or applicant engaging in any such behaviors will be subject to disciplinary action, up to and including termination of employment or withdrawal of job offer.

9.2.6 Criminal Convictions or Pleas:

Any Team Member who is convicted or pleads guilty under a criminal drug statute must notify The Fudgery's Human Resources Department in writing of such conviction no later than five calendar days after the conviction or plea. The company may take disciplinary action, up to and including termination of employment in its discretion.

9.2.7 Medication:

Any Team Member taking a lawful over the counter or prescription medication should consult a medical professional to determine whether the drug may affect safety or ability to perform the essential functions of the job and should advise Human Resources of any job limitations so that appropriate safety measures may be considered.

Section Ten: Nepotism and Fraternization in the Workplace

10.1 Nepotism and Fraternization Policy

Although we have no prohibition against the hiring of relatives of a Team Member (nepotism), it must be understood that problems can occur when close relatives work in the same department or when relatives act in a supervisory capacity over another. In addition to claims of favoritism and morale issues, personal conflicts from home can carry over to work. While we will consider and accept employing family members, generally they will not be hired or moved into positions where they are directly or indirectly supervised by another family member or where a family member has input over wages, promotions, demotions, discipline or discharge of another family member. Family members should also not be in a position where there may be access to sensitive information regarding a family member or if there is an apparent conflict of interest. If one of these situations exists or arises, management reserves the right for transfer or movement to a position that minimizes any conflict of interest or perception of preferential treatment, or if this is not feasible, the resignation or discharge of one or both family members to resolve the issue. Family members already working together at the time this policy becomes effective are grand-fathered in, and they may continue in their current positions. However this policy may apply to future transfers, promotions or other job changes for such individuals. Furthermore, no more than three related members of immediate or extended family may be employed at the same store at one time.

The Fudgery respects all Team Members' right to privacy and freedom to choose personal relationships. The purpose of this fraternization policy is not to infringe on either. The purpose of this policy is to minimize adverse risk of preferential treatment or future problems, such as allegations of sexual harassment. It is our expectation that mature discretion and sound judgment is exercised when Team Members choose to date or have personal relationships with other Team Members.

Personal relationships are not permitted to interfere with workplace productivity or professionalism in the workplace. Dating between a manager and a subordinate is strictly prohibited. If two Team Members choose to date or marry, our Human Resources personnel should be informed and guidelines will be drawn to address impacted Team Member. This may include transferring one or both of the individuals to a position or location that eliminates any conflict of interest or the perception of preferential treatment, and if this is not feasible, the resignation or discharge of one or both Team Members to resolve any issue. Management reserves the right to exercise appropriate managerial judgment to take such actions as necessary to achieve the intent of this policy.

Section Eleven: Harassment, Discrimination, and Immigration Compliance

11.1 Harassment and Discrimination

The Fudgery's policy is simple, ZERO TOLERANCE. We will keep our stores and workplaces free from unlawful and improper harassment by our applicants, Team Members, vendors and customers. The goal of our policy is to meet or exceed all local, state and federal laws governing harassment and discrimination in the workplace. Harassment may include any unwanted sexual attention, requests for sexual favors, unwelcomed or unwanted sexual advances, physical conduct or the posting of lewd or illicit materials. This is particularly true when submission to such conduct is made (explicitly or implicitly) a condition of one's employment. This policy prohibits harassment or discrimination based on race, color, religion, sex, pregnancy, citizenship status, national origin, age, physical or mental disability, past, present or future status in the uniformed services of the United States, genetics, or any other characteristic protected by applicable law. Our ability to control harassment or discrimination may be limited by the offender, (for example, our recourse against a customer or vendor may be limited) however, all prudent steps will be taken to limit, prevent and stop harassment and discrimination. For example, if the harassing or discriminatory behavior is from a customer, that customer may be asked to leave or the Team Member may be temporarily removed from the situation. Harassment and discrimination can take many forms.

- Any Team Member who commits an act of harassment or discrimination will be subject to immediate disciplinary actions which may include:
 - Oral or written warning or reprimand
 - Suspension with or without pay for a period not to exceed 30 days
 - Probation
 - Training or counseling
 - Transfer or demotion
 - Termination of employment
- The action taken will be based, in part, on the severity, frequency and pervasiveness of the alleged harasser's behavior and in keeping with The Fudgery's goal of providing all Team Members with a harassment-free and discrimination-free workplace.
- It is a blatant violation of this policy to retaliate against a person making a claim of harassment or discrimination or a person cooperating in the investigation of a complaint. Retaliation is illegal under federal, state and local laws.
- If you make a complaint of harassment or discrimination, your identity will be disclosed only on a need-to-know basis.
- All Team Members of The Fudgery have the responsibility to report harassment and discrimination. If you suspect someone has experienced harassment or discrimination, is currently experiencing harassment or discrimination, or is under a threat for reporting a case of harassment or discrimination, immediately notify your Manager. If your Manager is the person responsible for the harassment or discrimination, immediately contact the home

office, the Equal Employment Opportunity Commission or other local government office. The Fudgery will not tolerate acts of reprisal against you.

- If you feel you are being harassed or discriminated against, or suspect another Team Member is being harassed or discriminated against, has been harassed or discriminated against, or has been threatened with reprisal for making a complaint, you **MUST** act. Immediately notify your manager. If the complaint is against a manager or a person in a leadership position, make your complaint to Home Office.
- All good faith complaints of suspected harassment or discrimination will be handled swiftly, seriously and with the utmost discretion. Everyone in the company shares your responsibility to help maintain a workplace free from harassment. If you feel you cannot make your complaint to your manager, contact the Home Office. Addresses and phone numbers for all these people are conspicuously posted in your store.
- The Fudgery expects all of its Team Members to do their part to keep our workplaces free from harassment and discrimination.

11.2 Immigration Law Compliance

The Fudgery employs only United States citizens and those non-U.S. citizens authorized to work in the United States in compliance with the Immigration Reform and Control Act of 1986 and state law.

Each new Team Member, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former Team Members who are rehired must also complete the form upon rehire. Team Members must also be screened through E-Verify in states that require it.

If an individual is unable or unwilling to provide the required forms of identification and complete the required screening through E-Verify (if required), the company must terminate that individual's employment. Any individual who provides false forms of identification or other false information for purposes of attempting to obtain or keep a job with the company may be subject to disciplinary action, up to and including termination, as well as may be reported to applicable federal and/or state authorities.

Section Twelve: Worker's Compensation, Disability Accommodation, Team Member Vacation and Sick Leave

12.1 Worker's Compensation

The company provides Workers' Compensation coverage under state law. All Team Members are eligible for this coverage, and the program does not cost Team Members anything. If you are injured at work, or have an occupational illness, you must notify management immediately, so that appropriate treatment can be arranged. A drug and/or alcohol test may also be required. You will also have to complete paperwork related to the claim. During the time of recovery, you may be assigned to an alternate productive duty position that complies with the restrictions assigned by the treating physician. Failure to promptly notify management of the injury or illness may result in delay or denial of the Worker's Compensation claim.

12.2 Disability Accommodation

It is the company's policy to not discriminate against a qualified Team Member or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability, so long as the Team Member can perform the essential functions of the job. Consistent with this policy of nondiscrimination, the company will provide reasonable accommodations to a qualified individual with a disability, who has made management aware of his or her disability, provided such accommodation does not constitute an undue hardship on the company.

If you are disabled and believe you need a reasonable accommodation to apply for employment or to perform the essential functions of your job, you should contact Home Office and specifically request an accommodation.

12.3 Team Member Vacation and Sick Leave

- The Fudgery does not provide vacation days for Team Members.
- Outside the scope of the Family Medical Leave Act (FMLA), which is discussed below, The Fudgery does not provide sick leave for Team Members unless required by local or state law in the location where you work.
- If you are unable to work a scheduled shift, due to a personal issue (sick, car trouble, etc.) it remains your responsibility to find a replacement for your hours and to have that replacement approved by your Manager.
- Prior to returning to work due to a medical issue (illness or injury), you may be required to provide a written doctor's note releasing you back to duty. The inability to perform all essential job functions of your position, with or without a reasonable accommodation, may result in lost hours or termination from employment.

Section Thirteen: Family and Medical Leave Act

13.1 FMLA

The FMLA entitles eligible Team Members to take up to 12 weeks of unpaid, job-protected leave in a 12 month period for specified family and medical reasons. The Fudgery utilizes a “rolling” 12 month period, which is defined as the 12 month period prior to the commencement of a Team Member’s FMLA leave.

13.1.1 Team Member Eligibility

To be eligible for FMLA benefits, a Team Member must:

1. Work for an employer covered by the FMLA;
2. Have worked for The Fudgery for at least 12 months (which need not be consecutive months) in the last 7 years;
3. Have worked for The Fudgery for at least 1,250 hours over the previous 12 months; and
4. Work at a location in the United States or in any territory or possession of the United States where at least 50 Team Members are employed by The Fudgery within 75 miles.

13.1.2 Leave Entitlement

The Fudgery may grant an eligible Team Member up to 12 work weeks of unpaid leave during the rolling 12 month period for one or more of the following reasons:

1. For the birth and care of the newborn child of the Team Member;
2. For placement with the Team Member of a son or daughter for adoption or foster care;
3. To care for an immediate family member (spouse, child, or parent) with a serious health condition; or
4. To take medical leave when the Team Member is unable to work because of his or her own serious health condition.

Spouses who are both employed by The Fudgery are jointly entitled to a combined total of 12 work-weeks of family leave for the birth and care of a newborn child, for placement of a child for adoption or foster care, and to care for a parent who has a serious health condition. Leave for birth and care, or placement for adoption or foster care, must conclude within 12 months of the birth or placement.

13.1.3 Intermittent Leave

If medically necessary, Team Members may take FMLA leave intermittently, which means taking leave in blocks of time, or by reducing their normal weekly or daily work schedule. If a Team Member qualifies for intermittent leave, The Fudgery may require the Team Member to temporarily transfer to an alternative or part-time position which better accommodates recurring periods of absence. This alternative position will have equivalent pay and benefits. If the intermittent leave is unpaid, The Fudgery will reduce the Team Member’s wages based on the amount of time actually worked.

13.1.4 Exhaustion of Paid Leave

As part of the FMLA leave, Team Members are required to first exhaust any available paid leave before taking unpaid leave. FMLA leave runs concurrently with any other leave, paid or unpaid, to which the Team Member is eligible, including short term disability (“STD”), long term disability (“LTD”) or worker’s compensation.

13.1.5 Maintenance of Health Benefits

Subject to certain exceptions, The Fudgery will maintain group health insurance coverage for Team Members on FMLA leave whenever such insurance is provided before the leave was taken and on the same terms as if the Team Member had continued to work. Team Members are responsible for making arrangements to pay their share of health insurance premiums while on leave. If paid leave is substituted for unpaid leave, The Fudgery will deduct the Team Member’s portion of the health plan premium from the Team Member’s wages. If the leave is unpaid, the Team Member must make the premium payment by the date indicated by The Fudgery. Failure to timely pay the Team Member’s share of premiums may result in a loss of insurance coverage.

If an Team Member elects not to return to work for at least 30 days at the end of the leave period, the Team Member will be required to reimburse The Fudgery for the cost of any premiums paid by The Fudgery for maintaining coverage during the unpaid leave unless the Team Member’s failure to return to work was because of an ongoing serious health condition or other circumstances beyond the Team Member’s control.

13.1.6 Job Restoration and Key Team Members

Upon return from FMLA leave, a Team Member will be restored to the Team Member’s original job, or to an equivalent job with equivalent pay, benefits, and other terms and conditions of employment. If a Team Member is permitted to remain on non-FMLA leave after the FMLA expires, the Team Member will no longer have any job restoration rights, or any other FMLA rights, and may not be guaranteed a position.

Under specified and limited circumstances where restoration to employment will cause substantial and grievous economic injury to its operations, The Fudgery may not reinstate certain highly-paid “key” Team Members after using FMLA leave during which health coverage was maintained.

A “key” Team Member is a salaried “eligible” Team Member who is among the highest paid 10 percent of Team Members with 75 miles of the work site.

13.1.7 Notice and Certification Requirements

In order to request FMLA leave, the Team Member should contact Human Resources and specifically discuss: (1) the need for FMLA leave; and (2) the reason(s) FMLA leave is being requested. Merely calling in sick or calling a manager to request time off will not trigger FMLA coverage. Team Members have a duty to actively and clearly communicate their need for FMLA leave to Human Resources.

Team Members requesting FMLA leave are required to provide 30 days’ advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. If the need for leave

is unforeseeable, Team Members should provide notice as soon as practicable, but in no case later than 1 to 2 days before the leave starts.

Upon request for FMLA leave, The Fudgery will require Team Members to provide:

1. Medical certification supporting the need for leave due to a serious health condition affecting the Team Member or an immediate family member (The Fudgery may also require a second or third medical opinion, at The Fudgery' expense);
2. Periodic recertification;
3. Periodic reports during FMLA leave regarding the Team Member's status and intent to return to work; and
4. A fitness for duty certification at the end of any FMLA leave based taken for the Team Member's own serious health condition.

Any failure by the Team Member to provide the required notice of the need for FMLA leave or the required certification documentation, or to check in with The Fudgery periodically as required during the leave, may result in a delay in certifying the leave, a denial of leave, termination of previously-approved FMLA leave and/or disciplinary action.

13.1.8 Miscellaneous FMLA Provisions

1. When planning medical treatment, Team Members must consult with The Fudgery and make a reasonable effort to schedule the absence so as not to disrupt unduly The Fudgery' operations, subject to the approval of the health care provider. This notice is necessary prior to the scheduling in order to work out a treatment schedule that best suits the needs of both the Team Member and The Fudgery.
2. Team Members may not engage in other employment while out on FMLA leave from The Fudgery.
3. Days absent while on FMLA leave for FMLA-qualifying reasons, which are properly documented pursuant to this policy, are not computed in an Team Member's absenteeism rate.
4. Team Members who fail to timely return from FMLA leave at or before the time that has been scheduled for return to work, or upon the use of all of their eligible FMLA leave, whichever occurs first, shall be deemed to have resigned from their employment with The Fudgery unless The Fudgery provides advance written consent to additional, unpaid non-FMLA leave.
5. The FMLA makes it unlawful for any employer to: interfere with, restrain, or deny the exercise of any right provided under the FMLA, discharge or discriminate against any person for opposing any practice made unlawful by the FMLA; or discharge or discriminate against any person because of involvement in any proceeding under or related to the FMLA. If you have any concerns about the handling of your FMLA situation, please immediately contact Human Resources.

13.2 Service Member Leave Pursuant to the Family Medical Leave Act

Service Member FMLA provides eligible Team Members with unpaid leave under the following circumstances:

13.2.1 Leave Entitlement

Service Member FMLA provides eligible Team Members with unpaid leave under the following circumstances:

Military Caregiver Leave: This is leave to care for a covered family member (defined as a spouse, son, daughter, parent or next of kin) who is a current member of the armed forces including the National Guard or Reserves (hereinafter “Armed Forces”) and who has incurred or aggravated any injury or illness in the line of active duty in the Armed Forces if such injury or illness may render the family member medically unfit to perform the duties of his/her office, grade, rank or rating. This would include service members who are undergoing medical treatment, recuperation, or therapy, are in outpatient status, or who otherwise are on the temporary disability retired list. This type of leave is also available to veterans who are undergoing medical treatment for a serious injury or illness sustained or aggravated in the line of the duty and who were members of the Armed Forces within five (5) years preceding the need for such treatment.

Qualifying Exigency Leave: This is leave for any “qualifying exigency” situation arising out of the fact that the eligible Team Member’s spouse, son, daughter or parent is on, or has been notified of an impending call or order to “covered active duty” in the Armed Forces. “Covered active duty” includes deployment of an active duty Armed Services member to a foreign country and any deployment of an Armed Services reservist to a foreign country under a call or order to active duty. Qualifying Exigency Leave does not apply to domestic military service. There are eight types of “qualifying exigencies”: (1) short-notice deployment; (2) military events and related activities; (3) child-care and school activities; (4) financial and legal arrangements; (5) counseling; (6) rest and recuperation; (7) post-deployment activities; and (8) additional activities not encompassed in the other categories but related to the covered service member’s covered active duty which the Team Member and The Fudgery agree shall qualify as an “exigency” for purposes of this policy provided they agree as to the timing and duration of such leave.

13.2.2 Duration of Service Member FMLA

When leave is to care for an injured or ill family service member or veteran, the eligible Team Member may take up to 26 weeks of leave during a single 12 month period to care for the service member or veteran. Leave to care for an injured or ill family service member or veteran, when combined with other FMLA leave, may not exceed 26 weeks in a single 12 month period. This type of leave begins on the first day the eligible Team Member takes FMLA leave to care for the covered service member or veteran and ends 12 months later regardless of the method used by The Fudgery to determine the FMLA period for other FMLA-qualifying reasons. If the Team Member does not use the full 26 weeks during the single 12 month period, the balance of the 26 weeks is forfeited.

Up to 12 of the 26 weeks may be for an FMLA-qualifying reason other than military caregiver leave. For example, if a Team Member uses 10 weeks of FMLA leave for his or her own serious health condition during the single 12 month period, the Team Member has up to 16 weeks of FMLA leave left for military caregiver leave during that 12 month period.

Team Members may take more than 1 period of 26 work weeks of leave during their employment with The Fudgery if the leave is to care for a different covered service member or veteran or to care

for the same service member or veteran with a subsequent serious injury or illness, except no more than 26 weeks of leave may be taken in any single 12 month period.

When leave is due to a "qualifying exigency," the eligible Team Member may take up to 12 weeks of leave during a leave year. Leave due to a qualifying exigency, either by itself or when combined with other FMLA leave, may not exceed 12 weeks in a single leave year.

13.2.3 Other Service Member Leave Provisions

Service Member FMLA runs concurrently with other leave entitlements provided under federal, state or local law or company policy (including worker's compensation leave, short and long disability leave, etc.). Service Member FMLA is subject to the same requirements, including concurrent use of PTO, as set forth in The Fudgery' FMLA policy.

Intermittent Service Member FMLA is available on the same terms as it is for all other FMLA leave under The Fudgery policy or when necessary because of a qualifying exigency.

Spouses who are both employed by The Fudgery are jointly entitled to a combined total of 26 weeks of during a single 12 month period if the leave is military caregiver leave or a combination of military caregiver leave and another type of FMLA leave, such as for the birth and care of a child.

The Fudgery may require that a request for Service Member FMLA be supported by a written certification of the need for leave. The Fudgery may also request a copy of military documentation showing that the Team Member or family member is on active duty, has been called to active duty or was injured or became ill during active duty. Further, The Fudgery may seek confirmation of the Team Member's family relationship with the service member who is ill or injured or is on active duty or has been called to active duty. Requests for medical certification would be directed to the health care provider of the ill or injured service member.

Section Fourteen: Comments, Questions, Concerns

14.1 Open Door Policy

It is the policy of The Fudgery to allow all Team Members who have work-related concerns, suggestions and complaints addressed in a fair and expeditious manner and without fear of retaliation. This procedure covers any issue that affects the ability to conduct business in a productive and efficient manner.

The Team Member should first discuss any concern, suggestion or complaint with their Manager. Thereafter, if the Team Member feels the issue is still not resolved or addressed, and if the Team Member is not comfortable continuing to discuss the situation with their Manager, or if the issue involves the Manager, then the Team Member may discuss the concern, suggestion or complaint with Home Office or Human Resources.

14.2 Questions?

- If you have questions about anything, do not hesitate to ask.
- If you have suggestions for changes or improvements, please tell us.
- If you are discontented, tell us rather than encourage negative morale.
- Having a good time selling and making fudge is important to us. In fact, having fun is a condition of employment. The more you enjoy your work, the more the customers will enjoy their visit and the more likely they are to return. Return customers are the backbone of every business!
- If you feel you cannot get the answer you need, or if you have a suggestion or comment, email the Home Office at homeoffice@fudgeryfudge.com.

I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THE HANDBOOK. I UNDERSTAND THAT I AM RESPONSIBLE FOR READING AND ABIDING BY ALL POLICIES AND PROCEDURES IN THE HANDBOOK, AS WELL AS OTHER POLICIES AND PROCEDURES OF THE COMPANY, AND FOR ASKING QUESTIONS IF I DO NOT UNDERSTAND A POLICY OR PROCEDURE.

I ALSO UNDERSTAND THAT MY EMPLOYMENT IS "AT-WILL", WHICH MEANS THAT EITHER I OR THE COMPANY CAN TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE OR ADVANCE NOTICE. I UNDERSTAND THAT THIS HANDBOOK IS NOT A CONTRACT GUARANTEEING ME EMPLOYMENT FOR ANY SPECIFIC PERIOD OF TIME.

Signature

Date _____

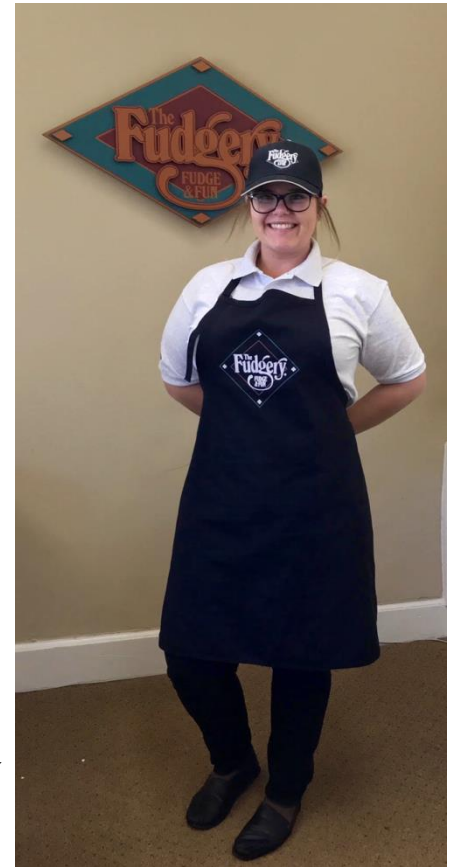
Full Name (please print) _____



UNIFORM UPDATE 2020

All employees are required to uphold the brand and should maintain the following standards while in uniform.

- ◆ The Fudgery polo should be tucked in.
- ◆ Only grey polo shirts are allowed, all old fudge shirts must be retired.
- ◆ Only black-work pants or shorts will be permitted in the Dickies work-pant style. You may choose from the following brands: Old Navy, Haggar, Banana Republic or Dickies. You may choose any of these brands, or their sister-brands, as long as the appropriate style of pant is worn. No jeans, leggings, yoga pant, or cargo pant will be allowed.
- ◆ All-black non-slip shoes must be worn with black or grey socks at all times.
- ◆ Belts, if worn, should be all-black.
- ◆ If visible, undershirts (or sleeves) must be black or white.
- ◆ Hair must be restrained and a natural color.
- ◆ Hats or visors must be worn forward, and will be supplied by The Fudgery.
- ◆ You must wear a Fudgery apron.
- ◆ No part of your uniform should have holes, rips, tears, stains, or bleach marks.
- ◆ All uniforms must be neat, clean, and wrinkle free.
- ◆ No jackets may be put over the uniform unless supplied by The Fudgery with the logo.
- ◆ Uniforms may not be worn off the clock. The only exception to this is during your transportation to and from your scheduled shift.
- ◆ Buying or consuming alcohol while in uniform is prohibited.
- ◆ Smoking or vaping while in uniform is prohibited. This includes your break time.
- ◆ Changing clothes may only be done in the restroom.
- ◆ Altering the uniform is prohibited.
- ◆ No illegal or lewd acts are tolerated while in uniform.
- ◆ Aprons should not be worn outside the store or while in the restroom.
- ◆ Visible tattoos on the face and neck are not allowed. Other visible tattoos are permitted provided they do not distract from our fudge-for-all family concept.
- ◆ Maintain good personal hygiene.
- ◆ Facial jewelry, gauging, or piercings other than the ear are not allowed.
- ◆ Rings, bracelets, and watches are limited to one per hand or wrist.
- ◆ Necklaces or chains cannot be visible while in uniform.



Effective 3/3/2020