

## IMPORTANT DISCLAIMER INFORMATION ABOUT YOUR EMPLOYMENT AND GUIDEBOOK ACKNOWLEDGEMENT

- YOUR EMPLOYMENT AT HARRIS TEETER, LIKE MOST EMPLOYMENT, IS 'AT-WILL.' THIS MEANS THAT YOUR EMPLOYMENT IS FOR NO FIXED TERM, AND YOU MAY RESIGN OR HARRIS TEETER MAY TERMINATE YOUR EMPLOYMENT AT ANY TIME FOR ANY LAWFUL REASON, WITH OR WITHOUT NOTICE OR CAUSE. THIS 'AT-WILL' EMPLOYMENT STATUS CANNOT BE ALTERED EXCEPT BY A WRITTEN AGREEMENT SIGNED BY THE PRESIDENT OF HARRIS TEETER OR HIS EXPRESS DESIGNEE.
- NEITHER THIS GUIDEBOOK, NOR ANY OF THE POLICIES, PROCEDURES, FORMS, OR OTHER DOCUMENTS MAINTAINED BY HARRIS TEETER HEREIN, ON HARRIS TEETER'S INTRANET, OR ELSEWHERE (REFERRED TO COLLECTIVELY AS "GUIDEBOOK AND POLICIES") CREATES A CONTRACT OF EMPLOYMENT, EXPRESS OR IMPLIED, BETWEEN YOU AND HARRIS TEETER OR OTHERWISE ALTERS YOUR 'AT-WILL' EMPLOYMENT STATUS.
- THIS GUIDEBOOK IS SIMPLY AN OVERVIEW, AND HARRIS TEETER MAY DEEM IF NECESSARY FROM TIME TO TIME TO DEVIATE, MODIFY, AMEND, OR CHANGE IT AND OTHER POLICIES OR PROCEDURES. WITH THE EXCEPTION OF ITS POLICY OF 'AT-WILL' EMPLOYMENT, WHICH CAN ONLY BE MODIFIED AS DESCRIBED ABOVE. CHANGES TO THIS GUIDEBOOK AND POLICIES MAY BE MADE IN THE NORMAL COURSE OF BUSINESS. THEREFORE, YOU SHOULD ALWAYS CHECK HARRIS TEETER'S INTRANET TO ENSURE YOU ARE REVIEWING THE LATEST VERSION.
- THIS GUIDEBOOK SUPERSEDES ANY PAST GUIDEBOOK ISSUED BY HARRIS TEETER. TO THE EXTENT ANY PREVIOUSLY-ISSUED POLICIES ARE INCONSISTENT WITH THIS GUIDEBOOK, THIS GUIDEBOOK GOVERNS. ALSO, TO THE EXTENT THAT HARRIS TEETER ISSUES AN UPDATED POLICY INCONSISTENT WITH THIS GUIDEBOOK, THE UPDATED POLICY GOVERNS.
- YOU SHOULD FAMILIARIZE YOURSELF WITH THE INFORMATION IN THIS GUIDEBOOK AND FEEL FREE TO SEEK VERIFICATION OR CLARIFICATION OF ITS CONTENTS OR GUIDANCE FROM ASSOCIATE RELATIONS OR A MANAGER WHERE NECESSARY.

### ACKNOWLEDGEMENT

MY SIGNATURE BELOW ACKNOWLEDGES THAT I HAVE RECEIVED ACCESS TO AN ELECTRONIC COPY OF HARRIS TEETER'S GUIDEBOOK [02/2016 REVISION]. I HAVE READ THE INFORMATION ABOVE AND UNDERSTAND THAT MY EMPLOYMENT IS 'AT-WILL' EMPLOYMENT AS DESCRIBED ABOVE.

I UNDERSTAND THAT HARRIS TEETER'S GUIDEBOOK AND OTHER POLICIES, GUIDELINES, FORMS, AND SIMILAR DOCUMENTS MAY BE STORED ELECTRONICALLY AND MAY REQUIRE AN ONLINE ACKNOWLEDGEMENT AS TO MY 'AT-WILL' EMPLOYMENT STATUS. I UNDERSTAND THAT ANY ONLINE ACKNOWLEDGEMENT IS MY ELECTRONIC SIGNATURE AND IS THE EQUIVALENT OF MY HANDWRITTEN SIGNATURE. I ALSO UNDERSTAND THAT THE ABSENCE OF AN ONLINE ACKNOWLEDGEMENT DOES NOT ALTER MY 'AT-WILL' EMPLOYMENT STATUS AND IS NOT AN INDICATION THAT THE GUIDEBOOK IS A CONTRACT OF EMPLOYMENT.

Associate Signature \_\_\_\_\_ Date \_\_\_\_\_

# TABLE OF CONTENTS

|                                      |        |
|--------------------------------------|--------|
| <u>Profit Sharing Incentive Plan</u> | Page 3 |
|--------------------------------------|--------|

|  |
|--|
| <b><u>EQUAL EMPLOYMENT OPPORTUNITY</u></b> |
|--|

|                                     |         |
|-------------------------------------|---------|
| <u>Diversity Statement</u>          | Page 5  |
| <u>Equal Employment Opportunity</u> | Page 5  |
| <u>Harassment</u>                   | Page 6  |
| <u>Disability Accommodation</u>     | Page 10 |

|   |
|---|
| <b><u>THE EMPLOYMENT RELATIONSHIP</u></b> |
|---|

|                                  |         |
|----------------------------------|---------|
| <u>Nature of Employment</u>      | Page 11 |
| <u>Corporate Office</u>          | Page 11 |
| <u>Associate Relations</u>       | Page 11 |
| <u>Union Position Statement</u>  | Page 12 |
| <u>Access to Personnel Files</u> | Page 12 |
| <u>Personnel Data Changes</u>    | Page 12 |
| <u>Immigration Law Policy</u>    | Page 13 |

|                             |
|-----------------------------|
| <b><u>HOURS AND PAY</u></b> |
|-----------------------------|

|                               |         |
|-------------------------------|---------|
| <u>Job Classification</u>     | Page 14 |
| <u>Probationary Period</u>    | Page 14 |
| <u>Overtime</u>               | Page 15 |
| <u>Time Keeping</u>           | Page 15 |
| <u>Schedules</u>              | Page 16 |
| <u>Break and Meal Periods</u> | Page 16 |
| <u>Pay Corrections</u>        | Page 17 |
| <u>Paydays</u>                | Page 18 |
| <u>Pay Deductions</u>         | Page 18 |

|                                   |
|-----------------------------------|
| <b><u>LEAVES AND ABSENCES</u></b> |
|-----------------------------------|

|   |         |
|---|---------|
| <u>Attendance and Punctuality</u>         | Page 19 |
| <u>Vacation Hours</u>                     | Page 21 |
| <u>Personal Hours</u>                     | Page 21 |
| <u>Family / Medical Leave Act of 1993</u> | Page 22 |
| <u>Military Leave of Absence</u>          | Page 28 |
| <u>Leave for School Appearances</u>       | Page 29 |
| <u>Time Off to Vote</u>                   | Page 30 |
| <u>Witness/Jury Duty</u>                  | Page 30 |
| <u>Educational Leave of Absence</u>       | Page 31 |
| <u>Personal Leave of Absence</u>          | Page 31 |

|                                  |
|----------------------------------|
| <b><u>GENERAL WORK RULES</u></b> |
|----------------------------------|

|  |         |
|--|---------|
| <u>Policies &amp; Procedures</u>   | Page 33 |
| <u>Problem Resolution</u>  | Page 33 |
| <u>Business Ethics and Conduct</u>   | Page 34 |
| <u>Accounting, Internal Accounting, Controls,<br/>or Auditing Complaints</u> | Page 34 |
| <u>Telephone, Computer, Internet, E-Mail Usage</u>                           | Page 34 |

|                                  |
|----------------------------------|
| <b><u>GENERAL WORK RULES</u></b> |
|----------------------------------|

|  |         |
|--|---------|
| <u>Workplace Monitoring</u>                                    | Page 35 |
| <u>Use of Equipment</u>  | Page 36 |
| <u>Non-Disclosure</u>  | Page 36 |
| <u>Conflicts of Interest</u>                                   | Page 37 |
| <u>Moonlighting</u>  | Page 37 |
| <u>Social Media and Social Networking</u>                      | Page 38 |
| <u>Statements to the Media</u>                                 | Page 39 |
| <u>Drug and Alcohol Use</u>                                    | Page 40 |
| <u>Drug Testing</u>  | Page 44 |
| <u>Arrests and Convictions / Illegal Activity Notification</u> | Page 48 |
| <u>Tobacco Products – Use of</u>                               | Page 48 |
| <u>Sale of Alcohol &amp; Tobacco</u>                           | Page 49 |
| <u>Weapons</u>   | Page 50 |
| <u>Damage To Associate Vehicles</u>                            | Page 50 |
| <u>Dating Relationships</u>                                    | Page 50 |
| <u>Hiring of Relatives</u>                                     | Page 51 |
| <u>Solicitation/Distribution</u>                               | Page 51 |
| <u>Employment of Minors</u>                                    | Page 52 |
| <u>Government Investigations</u>                               | Page 52 |
| <u>Personal Appearance</u>                                     | Page 52 |
| <u>Purchases By Associates</u>                                 | Page 53 |
| <u>Contests, Games, and Shopping Continuity</u>                | Page 54 |
| <u>Job Posting</u>   | Page 55 |
| <u>Expense Reports</u>   | Page 55 |
| <u>Lost &amp; Found</u>  | Page 56 |
| <u>Visitors in the Workplace</u>                               | Page 56 |
| <u>Workplace Rules &amp; Regulations</u>                       | Page 56 |
| <u>Workplace Violence Prevention</u>                           | Page 62 |
| <u>Termination/Resignation of Employment</u>                   | Page 64 |
| <u>Return of Property</u>                                      | Page 64 |

|                                 |
|---------------------------------|
| <b><u>SAFETY AND HEALTH</u></b> |
|---------------------------------|

|                                       |         |
|---------------------------------------|---------|
| <u>Communicable Disease Reporting</u> | Page 65 |
| <u>Food Safety</u>                    | Page 67 |
| <u>Life-Threatening Illnesses</u>     | Page 69 |
| <u>Safety</u>                         | Page 69 |
| <u>Security Inspections</u>           | Page 70 |

|                                 |
|---------------------------------|
| <b><u>EMPLOYEE BENEFITS</u></b> |
|---------------------------------|

|                                      |         |
|--------------------------------------|---------|
| <u>General Benefits Statement</u>    | Page 71 |
| <u>Benefits Continuation (COBRA)</u> | Page 71 |
| <u>Workers' Compensation</u>         | Page 72 |

|   |
|---|
| <b><u>EMPLOYEE NOTICES &amp; RIGHTS</u></b> |
|---|

|  |         |
|--|---------|
| <u>A Summary of Your Rights Under the Fair Credit Reporting Act</u>                | Page 73 |
| <u>Employee Rights And Responsibilities Under The Family And Medical Leave Act</u> | Page 75 |
| <u>It's About Time</u>   | Page 76 |

## PROFIT SHARING INCENTIVE PROGRAM

Harris Teeter has a Profit Sharing Incentive Program (the "Program") designed to give each and every eligible associate a real stake in the profitability and success of Harris Teeter. After all, each associate plays an important part in the Company's success. So, whenever Harris Teeter meets our profit goals, all of us are eligible to enjoy the rewards! Want to know how to increase your share of the profits?

These next few pages provide a general synopsis of the Program. However, this description of the Program is not intended to be a substitute for applicable plan documents. The terms and conditions relating to the Profit Sharing Incentive Program are contained in the Harris Teeter Profit Sharing Program document [originally effective October 1, 2005] and as subsequently amended from time to time (the "Program Document"). In the event of any inconsistency between the description set forth in this Associate Guidebook and the Program Document, the Program Document will control. To obtain a copy of the Program Document, please contact the Compensation Department at the Corporate Office.

Simply put... the higher Harris Teeter's operating profit % is....  
the higher Your Profit Sharing Incentive % is.

### **WHO IS ELIGIBLE FOR THE INCENTIVE?**

- All full-time and part-time associates who are not eligible for another Incentive Program.

### **DO I HAVE TO BE EMPLOYED A CERTAIN LENGTH OF TIME TO BE ELIGIBLE?**

- Yes. To be eligible for the incentive payout earned between AP 1-6 which is typically paid out in September, you must have been continuously employed since May 31<sup>st</sup>. To be eligible for the incentive payout earned between AP7-12 which is typically paid out in March, you must have been continuously employed since November 30<sup>th</sup>.
- And most important, you must still be employed on the actual day when the incentive checks are distributed. If your employment with Harris Teeter has ended, you will not receive an incentive check. Participation in the Profit Sharing Program does not constitute a contract of employment.

### **WHEN ARE THE INCENTIVE PERIODS?**

- Accounting Periods 1-6 INCENTIVE PERIOD:
  - ✓ Incentive is normally paid in September
  - ✓ Using operating profit from Accounting periods 1-6
  - ✓ Must be continuously employed since May 31<sup>st</sup>
- Accounting Periods 7-12 INCENTIVE PERIOD:
  - ✓ Incentive is normally paid in March
  - ✓ Using operating profit from Accounting periods 7-12
  - ✓ Must be continuously employed since November 30<sup>th</sup>

## WAYS YOU CAN INCREASE YOUR INCENTIVE %

- Provide *Service Excellence* at all times
- Get your family and friends to shop at Harris Teeter
- Reduce waste whenever possible
- Work all scheduled and available hours
- Help reduce associate turnover just by being friendly and showing R-E-S-P-E-C-T

When these good things happen, sales and profits will normally increase.

## **REMEMBER THESE GUIDELINES:**

- The actual Incentive Payout % depends on the HT Operating Profit % for the semi-annual measurement period.
- Your actual incentive amount will depend on the Incentive Payout %, your actual earnings and your evaluation grade (NI = 50% less in payout and NSI = 25% less in payout) for the measurement period.
- Associates hired after the measurement period starts will typically have lower earnings and therefore, smaller awards. Associates at the same hourly rate of pay can receive different incentive amounts because of the number of hours they worked during the measurement period.
- Just like all other wages, your Profit Sharing Incentive check is subject to having taxes withheld. Due to IRS regulations, the withholding rate on Incentives may be higher than your normal withholding rate.
- Unless otherwise provided by applicable law, you must be actively employed on the day Incentive checks are distributed to be eligible for an Incentive check.
- Harris Teeter reserves the right to amend, modify or discontinue this program at any time, in any respect, with or without notice.
- As noted above, additional terms and conditions relating to the Profit Sharing Incentive Program are contained in the Harris Teeter Profit Sharing Program document [originally effective October 1, 2005] and as subsequently amended from time to time (the "Program Document"). In the event of any inconsistency between the description above and the Program Document, the Program Document will control. To obtain a copy of the Program Document, please contact the Compensation Department at the Corporate Office or you may view the document online on the Harris Teeter Intranet (Compensation Department page).

## EQUAL EMPLOYMENT OPPORTUNITY

### Diversity Statement

Diversity is naturally woven throughout the framework of Harris Teeter, starting with our own associates and the customers that we serve. Respecting our associates as individuals by valuing their differences and similarities is an integral part of our business strategy and serves to strengthen our company. On every level of our organization, we seek to build a qualified workforce that reflects the diversity of our communities.

In doing so, we recognize that creative energies and ideas generated by a diverse group of associates will always exceed those of any one particular group. We will continue to build and foster our relationships with diverse community organizations and strengthen our supplier diversity initiative. With these dynamics in place, the merchandising and marketing of Harris Teeter products and services are truly reflective of the diversity of our communities.

### Equal Employment Opportunity

To provide equal employment and advancement opportunities to all individuals, employment decisions at Harris Teeter will be based on merit, experience, qualifications, skills, abilities, and business needs. Harris Teeter does not discriminate in employment opportunities or practices on the basis of race, color, religion, gender, sex (including pregnancy), national origin, age, disability, genetic information, military or veteran status, sexual orientation, gender identity or expression, marital status or family responsibilities, or any other characteristic protected by law.

Harris Teeter will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any associate with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of their immediate supervisor, facility manager, Associate Relations Specialist, Associate Relations Manager, Manager of Diversity, or the Vice President of Associate Relations & Administration (704-844-3551).

Associates can raise concerns and make reports without fear of reprisal or retaliation. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

For additional information, please refer to the Company's Equal Employment Opportunity policy (P-12) on HT's Intranet Policy & Procedure Manual.

## **Harassment - Sexual and Other Types**

Harris Teeter has a policy of zero tolerance for harassment of any kind during work time, during business activities involving Harris Teeter, while on Harris Teeter property by any associate or non-associate (including customers, visitors, temporary employees, vendors, and independent contractors), or via social media when directed to a Harris Teeter associate.

Harris Teeter will not tolerate any type of unlawful, improper, and/or discriminatory harassment in the workplace. No associate, male or female, should be subject to unwelcome verbal or physical conduct that is either sexual in nature or that shows improper conduct to the associate because of his or her gender, sex, race, religion, national origin, age, disability, sexual orientation, genetic information and/or other personal characteristics protected by law.

Harassment does not refer to occasional compliments of a socially acceptable nature. It refers to behavior that is not welcome, that is personally offensive, that weakens or hurts morale, and that, therefore, interferes with work effectiveness.

Violations of this policy may result in disciplinary action up to and including immediate termination of employment.

### **MANAGEMENT RESPONSIBILITY**

- Management at all levels of the Company is responsible for preventing harassment of any kind in the workplace. This responsibility includes immediately reporting conduct by anyone, whether a co-worker, supervisor, or non-associate, that may constitute harassment, regardless of how he or she gained awareness of such conduct.

### **HARASSMENT DEFINED**

- Harassment prohibited by law and by this policy includes the following conduct:
- Unwelcome verbal or physical conduct of any nature when submission to the conduct is made either an explicit or implicit term or condition of employment (such as hiring, firing, promoting, training, reassigning with significantly different responsibilities, or causing a significant change in benefits, paying, timekeeping, overtime assignments, leaves of absence); or
- Unwelcome verbal or physical conduct of any nature when submission to or rejection of the conduct is used as a basis for making employment decisions; or
- Unwelcome verbal or physical conduct of any nature when the conduct has the purpose or effect of substantially interfering with an individual's work performance, or creating an intimidating, hostile, or offensive work environment; or
- Unwelcome verbal or physical conduct that demeans or shows hostility toward an individual because of his or her gender, sex, race, religion, national origin, age, disability, sexual orientation, genetic information, and/or other personal characteristics protected by law when the conduct has the purpose or effect of substantially interfering with an individual's work performance, or creating an intimidating, hostile, or offensive work environment.

## EXAMPLES OF PROHIBITED CONDUCT

- Offering or implying an employment-related reward (such as a promotion or pay increase) in exchange for sexual favors or submission to sexual conduct.
- Threatening or taking a negative employment action (such as termination, demotion, denial of a leave of absence) if sexual conduct is rejected.
- Unwelcome sexual advances or repeated flirtations.
- Unwelcome intentional touching of another individual or other unwanted intentional physical contact (including patting, pinching, or brushing against another individual's body).
- Unwelcome whistling, staring, or leering at another individual.
- Asking unwelcome questions or making unwelcome comments about another individual's sexual activities, dating, personal or intimate relationships, or appearance.
- Unwelcome sexually suggestive or flirtatious gifts.
- Unwelcome sexually suggestive or flirtatious letters, notes, e-mail, voice mail or communication through social media.
- Conduct or remarks that are sexually suggestive or that demean or show hostility to an individual because of his or her gender, sex, race, religion, national origin, age, disability, sexual orientation, genetic information, and/or other personal characteristics protected by law (including jokes, pranks, teasing, obscenities, obscene or rude gestures or noises, slurs, epithets, taunts, negative stereotyping, threats, blocking of physical movement).
- Displaying or circulating pictures, objects, or written or visual materials (including graffiti, e-mails, cartoons, photographs, pinups, calendars, magazines, figurines, novelty items) that are sexually suggestive or that demean or show hostility to an individual because of his or her gender, sex, race, religion, national origin, age, disability, sexual orientation, genetic information, and/or other personal characteristics protected by law.
- These types of unwelcome actions are prohibited and are not allowed even among individuals with the same personal characteristics. For example: males are prohibited from harassing both males and females; females are prohibited from harassing both females and males. This prohibition extends along all kinds of personal characteristics including gender, sex, race, religion, national origin, age, disability, sexual orientation, genetic information, and/or other personal characteristics protected by law.

## REPORTING A COMPLAINT

- **ASSOCIATES**

- An associate who believes that he or she has been subjected to harassment of any kind by anyone is encouraged, but not required, to promptly tell the individual that the conduct is unwelcome and ask the individual to stop the conduct. Any individual who receives such a request must immediately comply with it and must not retaliate against the associate for rejecting the conduct.
- Complaints of harassment must be brought to the attention of one of the Harris Teeter managers listed below. The associate may choose to raise his or her harassment complaint through his or her immediate manager and the complaint will be brought to the attention of Associate Relations. If the associate feels uncomfortable about discussing the complaint with his or her immediate manager, the associate should feel free to take his or her complaint directly to another one of the other managers listed below.
- An associate must bring his or her complaint to the attention of any of the following managers:
  - Retail Stores – Associate Relations, District Manager, Store Director/ Manager, Co/Asst Manager, Department Manager, or any member of the Regional Staff;
  - Distribution and Hunter Farms – Associate Relations or Facility Director or Manager;
  - All Areas - Their Associate Relations Specialist / Manager;
  - All Areas - At the Corporate Office (704-844-3100) associates can speak with:
    - The Vice President of Associate Relations & Administration;
    - The Associate Relations Specialist for the Corporate Office;
    - The Senior Vice President of Human Resources.
  - If associates prefer to lodge their complaint specifically to a male or female manager, they can simply inform one of the above individuals and their complaint will be referred or handled appropriately.

- **MANAGER ACTION AFTER RECEIVING A COMPLAINT**

- After receiving any associate's complaint of harassment, the manager is required to immediately contact either his or her Associate Relations Specialist/Manager, or the Vice President of Associate Relations & Administration. The manager must report the complaint, even if the associate requests that the manager not tell anyone else of the complaint.
- If a manager has not received a complaint but suspects that certain conduct might constitute harassment, then the manager must immediately contact his or her Associate Relations Specialist / Manager or the Vice President of Associate Relations & Administration, regardless of how the manager became aware of the conduct.
- Even if the suspected harassment involves individuals who work in a department other than the manager, he or she is still obligated to report it to his or her Associate Relations Specialist / Manager or the Vice President of Associate Relations & Administration.

## INVESTIGATION, RESOLUTION, AND APPEAL

- After notification of the associate's complaint, the Vice President of Associate Relations & Administration will immediately initiate an investigation to gather all facts about the complaint.
- After the investigation has been completed, appropriate management will make a determination regarding the resolution of the case. If warranted, disciplinary action up to and including termination of employment will be imposed. Other appropriate actions may be taken to correct problems caused by the conduct.
- Both the associate who made the complaint and the associate about whom the complaint was made will be notified of the resolution of the investigation to the extent appropriate given privacy concerns and applicable laws.
- Any associate who does not agree with the resolution of the investigation may appeal the resolution to the Senior VP of Human Resources. The written appeal must include all concerns and/or disagreements with the Company's resolution and be mailed within two (2) weeks of his or her resolution notification to:

Harris Teeter, Inc.  
Attn.: Senior VP of Human Resources  
PO Box 10100  
Matthews, NC 28106-0100

## CONFIDENTIALITY

- All complaints, investigations of complaints, and resolutions of complaints will be handled as confidentially as practicable by management. It is not possible to keep complaints entirely secret. However, only those associates with a need-to-know, at Harris Teeter's sole discretion, will be involved in the investigation or the resolution of the case. Discretion and confidentiality by all individuals involved in the resolution of complaints of harassment are conducive to an effective investigation.

## NO RETALIATION

- This policy also prohibits retaliation against associates who bring harassment complaints of any kind, or who assist in investigating complaints. Retaliation in violation of this policy may result in discipline up to and including termination of employment.
- Any associate bringing a good faith complaint of harassment, or assisting in the investigation of such a complaint will not be adversely affected in terms and conditions of employment because of the complaint or assisting with the investigation, nor discriminated against or terminated from employment because of their participation in the complaint process.
- Associates are prohibited from reporting a complaint of harassment that they know is not true. Making false accusations is a type of misconduct that can seriously impair Harris Teeter's ability to enforce this policy.
- Any complaint of retaliation must be immediately reported. Associates must contact either an Associate Relations Specialist / Manager or another Human Resource representative at the Corporate Office (704-844-3100). At the Corporate Office, associates can speak with the Vice President of Associate Relations & Administration, the Associate Relations Specialist for the Corporate Office, or the Senior Vice President of Human Resources.

For additional information, please refer to the Company's *Harassment* policy (P-42) on HT's Intranet Policy & Procedure Manual.

## **Disability Accommodation**

Harris Teeter is committed to complying fully with the Americans with Disabilities Act (ADA), as well as any applicable state law concerning reasonable accommodations for qualified associates with disabilities. We are also committed to ensuring equal opportunity in employment for qualified persons with disabilities. We conduct all our employment practices and activities on a non-discriminatory basis.

Our hiring procedures have been reviewed and they provide meaningful employment opportunities for persons with disabilities. We only make pre-employment inquiries regarding an applicant's ability to perform the duties of the job.

Reasonable accommodation is available to an associate with a disability when the disability affects the performance of job functions, including a qualified disability caused or contributed to by pregnancy. Reasonable accommodation may include, but is not limited to, change of job duties or hours, providing mechanical or electronic aids, and providing leave.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation), as well as job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists. We make all types of leaves of absence available to eligible associates on an equal basis.

We make our employment decisions based on the merits of the situation in accordance with defined criteria and Harris Teeter's business needs, but do not take into consideration the disability of the individual. Harris Teeter does not discriminate against any qualified associate or applicant because the person is related to or associated with a person with a disability. Some states have additional laws pertaining to individuals with disabilities. To the extent that certain state or local laws provide a greater or separate benefit than this policy, those laws shall apply.

For additional information about the specific laws and policies in your location or for any other questions related to leaves of absence, please contact Harris Teeter's Corporate Office Benefits Department. Associates should contact Harris Teeter's Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

For additional information, please refer to the Company's *American's With Disabilities Act Compliance* policy (P-66) on HT's Intranet Policy & Procedure Manual.

## Nature of Employment

Employment with Harris Teeter is voluntarily entered into, and the associate is employed at-will, which means the associate is free to resign at will at any time, with or without cause. Similarly, Harris Teeter may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal, state, or local law.

Policies set forth in this guidebook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between Harris Teeter and any of its associates. The provisions of the guidebook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or canceled at any time with or without notice, at Harris Teeter's sole discretion.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the President of Harris Teeter. No supervisor or member of management, except for the President of Harris Teeter, has the authority to bind the Company to any employment contract for any specified period of time with any associate, either verbally or in writing.

## Corporate Office

Harris Teeter's Corporate Office is located at 701 Crestdale Drive, Matthews, North Carolina. The switchboard's main telephone number is (704) 844-3100. Our mailing address is PO Box 10100, Matthews, NC 28106.

## Associate Relations

Harris Teeter believes that the work conditions, wages, and benefits it offers to its associates are very competitive with those offered by other employers in the geographic areas in which it does business, and in the retail grocery industry.

Our experience has shown that when associates deal openly and directly with their immediate supervisor or manager, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that Harris Teeter amply demonstrates its commitment to associates by effectively responding to associate concerns.

If associates have concerns about work conditions or benefits, they are strongly encouraged to voice these concerns openly and directly to their immediate supervisor. If the immediate supervisor does not resolve the situation, associates should bring their concerns to management and/or the Associate Relations Representative. The appropriate Management Associates and/or Associate Relations Representatives vary by location and are listed below:

**Retail Store Associates** should contact their Store Director/Manager, Co/Asst Manager, CAO Inventory Manager, or Associate Relations Specialist. The Associate Relations Specialist's name and telephone number can be found either on the store's Associate Bulletin Board or near the store's time clock.

**Corporate Office Associates** should contact their Director, Vice President, or Corporate Office Associate Relations Specialist. The Corporate Office Associate Relations Specialist's name and telephone number can be found on the Associate Bulletin Boards.

If these individuals are not available, or if for any reason you do not feel comfortable raising your concerns to one of these individuals, you should contact the Vice President of Associate Relations & Administration at the Corporate Office.

## Union Position Statement

Harris Teeter is committed to a pro-associate philosophy. Our goal is to treat all associates with **dignity** and **respect**, and we encourage open communication and participation by everyone. We believe each associate is his or her own best spokesperson, and to that end, Harris Teeter provides associates a number of positive means to raise issues and concerns. We take pride in our ability to work with associates to resolve any issues they may have.

Consequently, Harris Teeter does not believe an outside third party like a union would be in the best interest of our associates or our customers. Unions also attempt to restrict a company's ability to be flexible in an ever-changing and highly competitive environment. Our mission cannot be accomplished without a close working relationship between all of us, and we believe a union would damage this special relationship we have with our associates.

If any associate believes that his or her legal rights have been impaired in any way, the company encourages them to contact their manager or Human Resource Representative. If they feel the situation is not being handled appropriately or if they are more comfortable talking to someone else, they can contact our Vice President of Associate Relations & Administration, PO Box 10100, Matthews, NC 28106. We ensure that all such communication will receive personal attention and that no associate will be retaliated against in any way.

## Access to Personnel Records

Harris Teeter maintains personnel records on each associate, and such records are the property of Harris Teeter. The records generally include such information as the associate's job application, resume, documentation of performance appraisals and salary increases, disciplinary documentation, and other employment records.

Associates can access their own performance evaluations and documentations in  through the HT Intranet.

Associates who wish to review their entire personnel records should contact their Associate Relations Specialist or their Associate Relations Manager.

Certain states, including Delaware, have additional rules governing access to personnel records. To the extent those state or local laws provide a greater benefit to the associate than this policy, those laws shall apply. For additional information about the laws and policies pertinent to your location, please contact your Associate Relations Specialist.

## Personnel Data Changes

It is the responsibility of each associate to promptly notify Harris Teeter of any changes in their personal information. All associates can review and update their tax status and demographic data on the associate

website .

Associates have the ability to make changes to their demographic data such as name, address, phone number, emergency contact and date of birth. Keeping your demographic data accurate will ensure you are up-to-date on any communications that are sent out.

## **Immigration Law Compliance Policy**

The Company is an equal opportunity employer and does not make employment decisions based on an applicant's or an associate's citizenship, national origin, or ancestry. The Company is committed to compliance with the Immigration Reform and Control Act of 1986.

As a result, each new associate, as a condition of employment, will be required to complete the Employment Eligibility Verification Form (I-9) and present documentation establishing his/her identity and employment eligibility.

It is the associate's responsibility to maintain their employment authorization. It is not legal for HT to employ anyone who does not have valid and current employment authorization. Therefore, if any associate's employment authorization expires, then HT will immediately terminate their employment.

If you have questions or would like more information about immigration law issues, you are encouraged to contact your manager or Associate Relations Specialist.

## HOURS AND PAY

### Job Classifications

The following terms are defined for purposes of this Guidebook. Some of these terms may be used or defined differently in other places (for example, in the Company's benefit plans).

**Salaried vs. Hourly.** *Salaried* associates are those whose base compensation is paid as a salary (which generally does not vary, for example, with precise hours worked), rather than an hourly rate. See "Salary Basis," below. *Hourly* associates are those whose base compensation is determined by multiplying an hourly rate times the number of hours worked.

**Nonexempt vs. Exempt.** Generally, *nonexempt* associates are those who are classified by the Company on an ongoing basis to receive an overtime premium at one and one-half times their "regular rate" for hours worked in excess of 40 hours per workweek. *Exempt* associates are those who do not receive such a premium.

**Full-time vs. Part-time.** *Full-time* associates include all exempt associates and those nonexempt associates whom Harris Teeter classifies as full-time. *Part-time* associates are nonexempt hourly associates whom Harris Teeter classifies as part-time.

**Regular vs. Temporary.** *Regular* associates are those for whom the Company has no particular expectation of their employment ending. *Temporary* associates are those who are hired as interim replacements, to supplement the work force temporarily, or to work on a specific project or group of assignments. Employment assignments in this category, such as *Seasonal* and *International*, are of a limited, though possibly uncertain, duration. Employment beyond any initially stated period does not indicate a change in temporary employment status. Temporary associates are generally not eligible for benefits.

**Salary Basis.** Notwithstanding any other policy stated in this Manual, the Company intends to pay and will pay all associates whom it classifies as *salaried exempt* on a "salary basis," as that term is defined by the U.S. Department of Labor or other relevant authority. Any associate classified by the Company as salaried who believes he or she has not been paid, or is not being paid, as required by this policy, should report that fact in writing to their manager or Vice President of Associate Relations & Administration.

No associate will be disciplined or otherwise retaliated against for making a report under this policy. If any associate classified by the Company as salaried has not been paid as required by law, any improper deductions will be refunded or reimbursed within a reasonable time after such determination is made, and appropriate steps taken to ensure future compliance with this policy.

### Probationary Period

All new and rehired associates work on a probationary basis for the first **ninety (90)** calendar days after their date of hire. The probationary period is intended to give associates the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Harris Teeter also uses this period to evaluate associate capabilities, work habits, and overall performance, and to assess whether the associate is a good fit for the position. Either the associate or Harris Teeter may end the at-will employment relationship at any time during or after the probationary period, with or without cause or advance notice.

## Overtime

### **WORKING OFF-THE-CLOCK IS STRICTLY PROHIBITED!**

When operating requirements or other needs cannot be met during regular working hours, associates may be scheduled or requested to work overtime hours. When possible, advance notification of these assignments will be provided. Failure to work scheduled/requested overtime or working overtime without prior authorization from an appropriate supervisor may result in disciplinary action, up to and including termination of employment.

Non-exempt associates will be compensated for all hours worked in excess of forty in a workweek at the rate of 1 ½ times their "rate." This "rate" is computed by taking the total straight time earnings for the workweek, and dividing them by the total number of hours weekly, such that the varying rates for all tasks are captured in the overtime compensation in compliance with the Fair Labor Standards Act.

Overtime compensation is paid to all non-exempt associates in accordance with all federal and state wage and hour laws. Overtime pay is based only on **actual hours worked**. Hours paid for personal hours and/or vacation hours will **not** be considered hours worked for purposes of calculating overtime.

### **WORKING OFF-THE-CLOCK IS STRICTLY PROHIBITED!**

## Time Keeping

Accurately recording time worked is the responsibility of every associate. Federal and state laws require Harris Teeter to keep an accurate record of time worked to calculate associate pay and benefits. Time worked is all the time actually spent on the job performing assigned duties. Associates have an affirmative obligation to report any known or observed incident of another associate working **OFF-THE-CLOCK**.

Associates should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Altering, falsifying, tampering with time records, or recording time on another associate's time record may result in disciplinary action, up to and including termination of employment. Hourly-paid associates should report to work at their scheduled starting time and leave work at their scheduled stop time unless they have express, prior authorization from their immediate supervisor or manager-on-duty.

If any associate believes there are any errors or discrepancies in their wages or time records, they must contact their facility manager, Associate Relations Representative or the Corporate Payroll Department within twenty-one (21) days of receiving their paycheck or direct deposit that reflects the alleged error or discrepancy.

If an associate fails to contact their facility manager, Associate Relations Representative or the Corporate Payroll Department within twenty-one (21) days of receiving their paycheck or direct deposit, then they agree that their wages and time records are accurate and correct.

For additional information, please refer to the Company's *Time Worked Recording Procedures* policy (RO-8) or *Wage and Hour Compliance* (P-24) on HT's Intranet Policy & Procedure Manual.

### **WORKING OFF-THE-CLOCK IS STRICTLY PROHIBITED!**

## Schedules

Work schedules for associates vary throughout our organization. In most stores, our peak shopping hours are: Monday-Friday [11am-1pm and 4pm-7pm]; and Saturday-Sunday [all day & early evening]. Staffing needs, customer shopping patterns, and operational demands vary from store to store and will impact schedules. This may necessitate variations in starting and ending times, as well as variations in the total hours that are scheduled each day and week. Your open-availability to work during your store's busiest times may impact the number of hours you can be scheduled. Schedules may need to change based on Company initiatives and/or the needs of our customers.

Flexible scheduling is available in some cases to allow associates to vary their starting and ending times each day within established limits. This may be possible if a mutually workable schedule can be determined with the associate's immediate supervisor. However, such issues as staffing needs, the associate's performance, sales patterns, and the nature of the job will be considered. In general, associates with limited schedule availability will normally be scheduled fewer hours than associates with an open availability schedule.

Associates should submit an availability change request, in ESS, at least two (2) weeks in advance of a schedule change. Associates should enter all requests for time-off into the time keeping system at least two (2) weeks in advance. The next workweek's (Wednesday through Tuesday) schedules for the retail stores are normally posted by noon on Saturday.

## Break and Meal Periods

Associates working shifts exceeding four hours are entitled to meal and break periods as set forth in this section.

### BREAK PERIODS

Break periods, as set forth below, are considered to be working time. Therefore, associates will be **ON-THE-CLOCK** during these times. Breaks may not exceed fifteen (15) minutes in length. Management may require associates to record the times of their breaks using time clocks and/or time and attendance systems.

Associates needing additional unpaid breaks to express breast milk for their nursing child or children should make their request known to their immediate supervisor.

### MEAL PERIODS

Meal periods are NOT considered to be working time and associates will be **OFF-THE-CLOCK** during these times.

#### **WORKING OFF-THE-CLOCK IS STRICTLY PROHIBITED!**

1. Associates are required to record the times of their meal periods properly and accurately using time clocks and/or time and attendance systems.
2. Associates must not perform any job-related functions or duties while off-the-clock during these meal periods.
3. Except in extreme conditions to be determined by management, all associates scheduled to work 6.5 hours or more are required to take a meal period of at least 30 minutes (not in the first hour)\* during their shift.

#### **WORKING OFF-THE-CLOCK IS STRICTLY PROHIBITED!**

| Associates who are scheduled to actually work this amount of hours | Are permitted to receive this amount of 15 minute paid break(s) | Are required to take this amount of 30 minute [minimum] unpaid meal period(s) |
|--|---|---|
| Less than 4 hours  | None  | None  |
| At least 4 hours but less than 6.5 hours                           | One   | None***   |
| At least 6.5 hours but less than 8 hours                           | One   | One   |
| 8 hours or more  | Two**   | One   |

\* Associates in Delaware working 7.5 hours or more must take their meal break after the first two hours but before the last two hours of their shift.

\*\* For every three (3) additional hours worked in a day in excess of an eight (8) hour shift, associates are entitled to receive another 15 minute paid break period.

**Minors are entitled to additional time for breaks under certain state or local laws. For additional information regarding additional state or local regulations, please refer to the Company’s Employment of Minors policy (P-20) on HT’s Intranet Policy & Procedure Manual.**

Each manager will determine the schedule of hours for associates. Managers will inform associates of their daily schedule of hours of work, including meal periods and rest breaks, and of any changes that are considered necessary or desirable by the Company. To provide *Service Excellence*, meal and break periods may occasionally be rescheduled from their originally scheduled time. If this happens on a regular basis, associates should inform their Store Manager and/or Associate Relations Specialists of the situation. Management is responsible for ensuring that their Store/Facility is in compliance with this policy.

**Pay Corrections**

Harris Teeter takes all reasonable steps to ensure that associates receive the correct amount of pay in each paycheck and that associates are paid promptly on the scheduled payday. In the unlikely event that there is an error in the amount of pay, associates should promptly send written notification of the pay error to the attention of their Supervisor or the Payroll Department at the Corporate Office so that corrections can be made and reimbursement payments issued as quickly as possible.

If any associate believes there are any errors or discrepancies in their wages or time records, they must contact their facility manager, Associate Relations Representative or the Corporate Payroll Department within twenty-one (21) days of receiving their paycheck or direct deposit that reflects the alleged error or discrepancy.

If an associate fails to contact their facility manager, Associate Relations Representative or the Corporate Payroll Department within twenty-one (21) days of receiving their paycheck or direct deposit, then they agree that their wages and time records are accurate and correct.

## **Paydays**

The Harris Teeter workweek runs from Wednesday to Tuesday. All retail, manufacturing, and corporate office hourly associates are paid weekly on Tuesdays. Each paycheck will include earnings for all work performed through the end of the previous payroll period. Salaried associates are paid on a semi-monthly basis by the 15th and by the last day of the month. Salaried associates' first and last paycheck for base salary will be prorated to reflect the actual number of days they are employed by Harris Teeter. On an associate's normal payday, paychecks will be available at the place of employment and direct deposit advices will be available for viewing on myHTspace.

## **Pay Deductions**

The law requires that Harris Teeter make certain deductions from every associate's compensation. Among these are applicable federal, state, and local income taxes. Harris Teeter also must deduct Social Security taxes on each associate's earnings up to a specified limit that is called the Social Security "wage base." Harris Teeter matches the amount of Social Security taxes paid by each associate.

Harris Teeter offers programs and benefits beyond those required by law. Eligible associates may voluntarily (by e-signature or in writing) authorize deductions from their paychecks to cover the costs of participation in these programs. Other deductions taken by Harris Teeter usually help to pay off a debt or obligation to Harris Teeter or others.

If you have questions concerning why deductions were made from your paycheck or how they were calculated, your immediate supervisor, manager, and/or the Payroll Department at the Corporate Office can assist in having your questions answered.

## LEAVES AND ABSENCES

### Attendance and Punctuality

Reporting to work as scheduled is an essential and important part of an associate's job and is required by the Company to ensure our continued ability to provide **Service Excellence**. While HT attempts to provide flexible schedules, management has the discretion to finalize or change schedules based on the needs of our customers and/or store operations.

It is the responsibility of management to evaluate each absenteeism situation using the following guidelines. Additionally, for stores, it is the responsibility of management to ensure that the schedule and absenteeism data is accurately processed in the timekeeping system a minimum of once a week.

Harris Teeter's policy regarding absenteeism [**Policy# P-55-B**] applies to all retail store, regional and corporate office hourly associates. It also applies to all salaried associates.

**ABSENTEEISM.** An absence is defined as a failure to work a scheduled work shift. Pay may be deducted for salaried associates due to unapproved full-day absences as permitted by law.

**GUIDELINES FOR EXCUSING ABSENCES.** For an absence to be excused, appropriate verification should be presented to the associate's supervisor with advance notice or when the associate returns to work, as appropriate.

- Absences due to an illness will normally be excused but may require a note from the treating health care professional.
- Absences due to an associate, a parent, child or spouse being involved in a medical emergency or life-threatening situation or other serious health conditions as defined by the Family Medical Leave Act and relevant state statutes will normally be excused with verification.
- Absences due to a summons or subpoena to appear in court to serve on a jury or as a witness will normally be excused with verification.
- Parents, guardians or other qualifying individuals as defined under applicable state law attending emergency school meetings will normally be excused with verification; parents, guardians or other qualifying individuals as defined under applicable state law attending school activities will normally be excused with sufficient advance notice and verification.
- Absences due to a death in the immediate family will normally be excused for up to three (3) days with verification. (See Policy P-5 Bereavement). In the case of extenuating circumstances more unpaid time off may be granted by management.
- Absences pursuant to the federal Family Medical Leave Act (FMLA) or other applicable state statute will normally be excused with proper verification. It is the associate's responsibility to inform his/her supervisor when requesting FMLA time.
- Absences due to voting will be excused in accordance with the Company's Time Off to Vote Policy.
- Absences due to military service will normally be excused providing that the associate follows the appropriate USERRA and applicable state and local guidelines.

**CALL IN PROCEDURE.** When unable to report to work as scheduled, an associate must call in and report his or her absence at least two (2) hours prior to the start of the scheduled shift, unless a verifiable emergency occurs. **Such calls must be made to the associate's department manager/supervisor or to the manager-on-duty.**

**CALL/NO-SHOW.** If an associate does not show up for a scheduled shift and does not contact his/her supervisor or manager-on-duty, the absence may be considered a **No-Call/No-Show**. All incidents of **No-Call/No-Show** will normally be documented on a Constructive Advice form. If an associate incurs a **No-Call/No-Show** for three (3) consecutive scheduled workdays, the associate may be considered to have abandoned their job, voluntarily resigned their employment, and their employment may be terminated.

**ROLLING SIX (6) MONTH PERIOD.** A rolling six-(6) month period begins on the date of the first unexcused absence.

**ABSENTEEISM DISCIPLINARY GUIDELINES.** Disciplinary action may be taken based on absences within a rolling six-(6) month period.

- **FIRST WARNING – VERBAL DISCUSSION.** One (1) unexcused absence within a rolling six (6) month period may result in the associate receiving a verbal warning and counseling regarding his/her attendance. The warning will normally be documented on a Constructive Advice form.
- **SECOND WARNING – WRITTEN REPRIMAND.** One (1) additional unexcused absence, for a total of two (2) within a rolling six (6) month period may result in the associate receiving a second and final written warning regarding his/her attendance. The warning will normally be documented on a Constructive Advice form.
- **TERMINATION.** One (1) additional unexcused absence, for a total of three (3) unexcused absences, within a rolling six-(6) month period may result in termination.

**EXCESSIVE OR PATTERN OF ABSENTEEISM.** Excessive or a pattern of absenteeism indicates an associate's inability to meet the requirement of regular attendance. If an associate demonstrates excessive or a pattern of absenteeism (excused or unexcused), disciplinary action up to and including termination, may occur.

**NINETY (90) DAY PROBATIONARY PERIOD.** For associates within their ninety (90) day probationary period, excessive absenteeism is defined as two (2) unexcused absences. The first incident will normally result in a **WRITTEN REPRIMAND** documented on a Constructive Advice form. One (1) additional unexcused absence may result in **TERMINATION**. (Note: In the case of a re-hire or return from leave, any FMLA-eligible absence must be verified by the Human Resources Department).

For additional information, please refer to the Company's *Absenteeism* policy (P-55-B) on HT's Intranet Policy & Procedure Manual.

## Vacation Hours

See Policies P-02, P-26, or P-26-B to review the actual policies regarding vacation hours for hourly associates.

- **NO CARRY OVER.** Unless otherwise provided by applicable state or local law, associates may not carry over vacation hours from one vacation grant year to another. **Associates who do not use all of their vacation hours during their current vacation grant year forfeit all remaining vacation hours once their new vacation grant year begins.**
- **NO PAYOUT UPON TERMINATION.** Upon termination of employment, eligible associates will not be paid for remaining vacation hours, unless otherwise required by applicable state or local law.
- A full-time associate's **vacation grant date** is the annual anniversary of their current full-time date. A full-time associate's **vacation grant year** begins on their current **vacation grant date** and ends on the day before their next **vacation grant date**.
- A part-time associate's **vacation grant date** is the annual anniversary of their current employment date. A part-time associate's **vacation grant year** begins on their current **vacation grant date** and ends on the day before their next **vacation grant date**. Part-time associates must work 1000 in a vacation grant year to be eligible for a vacation grant.
- Full-time associates may request a maximum payout of **forty (40) vacation hours** in a workweek.
- Part-time associates may request a maximum payout of **twenty (20) vacation hours** in a workweek.
- Associates are required to personally enter their vacation hours payout request into their time-keeping system. Verbal requests or requests written on paper are not valid requests.

If you have a question about Vacation policies, they are available on the HT Intranet or ask your immediate supervisor or manager to assist you in reviewing the policy.

**Certain states may have separate laws regarding vacation pay. To the extent that those state or local laws provide a greater benefit than this policy, those laws shall apply. Please contact Associate Relations for more information about the relevant rules in your location.**

## Personal Hours

- **MAXIMUM ACCUMULATION.** Associates are eligible to accrue a maximum of eighty (80) personal hours. Unless otherwise provided by applicable federal, state, or local law, any personal hours granted that cause the total number of personal hours currently accumulated by an associate to exceed the maximum of eighty (80) will be forfeited. The associate will receive no pay for these forfeited hours.
- **NO PAYOUT UPON TERMINATION.** Upon termination of employment, eligible associates will not be paid for remaining personal hours, unless otherwise required by applicable federal, state, or local law.
- Associates may request a maximum payout of **forty (40) personal hours** in a workweek.
- Associates are required to personally enter their personal hours payout request into their time-keeping system. Verbal requests or requests written on paper are not valid requests.

All eligible hourly associates who work in one of Harris Teeter's D.C. stores will receive additional paid leave each year to use for reasons stated in the D.C. Accrued Sick and Safe Leave Act.

If you have a question about Policy P-07 Personal Days, it is available on the HT intranet. Please contact your immediate supervisor or Associate Relations for specific details or if you have questions about this benefit.

## **Family and Medical Leave Act of 1993**

Associates should contact Harris Teeter's Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

In compliance with the Family and Medical Leave Act of 1993 (FMLA), Harris Teeter allows "eligible" associates to take job-protected, unpaid leave for up to a total of twelve (12) workweeks (or 26 weeks in the instance of Military Caregiver leave) in any rolling year of fifty-two (52) weeks for one or a combination of the following reasons:

- The birth of a child and/or to care for the newborn child.
- The placement of a child with the associate for adoption or foster care and/or to care for a newly placed child.
- The associate is needed to care for a family member (child, spouse, or parent) with a serious health condition.
- The associate's own serious health condition, as defined below, makes the associate unable to perform one or more of the essential functions of his or her position.
- Because the associate's spouse, son, daughter or parent is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation, and that active duty creates a "qualifying exigency" as defined by the Department of Labor that requires the associate to take leave.

In certain cases, this leave may be taken on an intermittent basis rather than all at once, or the associate may work a part-time schedule.

As used in this policy, the term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves:

- Inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care; or
- Continuing treatment by a health care provider. A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:
  - A period of incapacity of more than three (3) consecutive calendar days and any subsequent treatment or period of incapacity related to the same condition that also involves:
    - Treatment two or more times by a health care provider, by a nurse or physician's assistant under direct supervision of a health care provider, or by a provider of health care services under orders or on referral by a health care provider.
    - Treatment by a health care provider on at least one occasion that results in a regimen of continuing treatment under the supervision of the health care provider.
  - Any period of incapacity caused by pregnancy or for prenatal care.

- Any period of incapacity or treatment for such incapacity because of a chronic serious health condition. A chronic serious health condition is one which:
  - Requires periodic visits for treatment by a health care provider or by a nurse or physician's assistant under the direct supervision of a health care provider;
  - Continues over an extended period of time; and
  - May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.).
- A period of incapacity that is permanent or long-term because of a condition for which treatment may not be effective but for which the associate or family member is under the continuing supervision of a health care provider (e.g., Alzheimer's, a severe stroke, terminal cancer, etc.).
- Any period of absence to receive multiple treatments by a health care provider or by a provider of health care services under the orders of or on referral by a health care provider, either for restorative surgery after an accident or other injury or for a condition that would likely result in a period of incapacity of more than three (3) consecutive calendar days in the absence of medical intervention or treatment (e.g., radiation for cancer, dialysis for kidney disease, etc.).

Associates are eligible to take up to twelve (12) weeks of job-protected FMLA leave (or 26 weeks in the instance of Military Caregiver leave) in a rolling fifty-two (52) week period of time if they have: Completed one (1) year of service with Harris Teeter; and worked 1250 hours for Harris Teeter in the fifty-two (52) week period prior to the commencement of the requested leave.

Military Caregiver Leave under the FMLA may be taken for up to 26 weeks in one single 12 month period to care for an injured service member if the following are true:

- you must be the spouse, son, daughter, parent, or next of kin of a member of the Armed Forces (including National Guard and Reserves),
- the service member must have suffered a serious illness or injury; and
- the service member must be undergoing medical treatment, recuperation, or therapy, must be in outpatient status; or must otherwise be on the temporary disability retired list, as a result of that illness or injury.

There are also certain limitations associated with Military Caregiver leave. First, you may only take this leave one time, and only during a single twelve (12) month period. Second, any Military Caregiver leave that is taken, when combined with any other family/medical leave under this policy, may not exceed twenty-six (26) workweeks in a twelve (12) month period.

### **ROLLING YEAR CALCULATION**

Eligible associates have a maximum of twelve (12) weeks of unpaid job-protected FMLA leave (or 26 weeks in the instance of Military Caregiver leave) in a rolling year. Harris Teeter uses a rolling fifty-two (52) week period method to calculate an associate's leave year. That means that each time an associate takes FMLA leave the remaining leave entitlement would be any balance of the twelve (12) weeks (or 26 weeks in the instance of Military Caregiver leave) which has not been used during the immediately preceding twelve (12) months. Leave taken under this FMLA policy will be counted against the associate's annual FMLA leave entitlement.

## LIMBO PERIOD

An associate who is away from work and is not receiving Harris Teeter monies can be absent from work with the supervisor's approval for a maximum period of two (2) workweeks (limbo period) without requesting, providing eligibility for, and being approved for an appropriate leave of absence [including Educational Leave of Absence].

Harris Teeter monies are defined as "wages paid for actual hours/days worked, vacation hours, and/or personal hours." Monies received as a result of workers' compensation, short-term disability, long-term disability, bonuses, and/or salary continuation are not considered as Harris Teeter monies.

Vacation hours and/or personal hours pay will be applied to the week immediately following the workweek in which the associate last worked. A full week's worth of vacation hours and/or personal hours will extend an associate's limbo period for another payroll week. The number of hours that constitutes a full week is the same number of hours given for a week of vacation (e.g. 40/44/46 hours for retail department managers, 40 hours for most other full-time associates, 20 hours for part-time associates).

**At the conclusion of their limbo period, associates must: 1) return to work within the next workweek; or 2) have applied for a leave of absence for which they prove eligibility; or 3) have voluntarily resigned their employment.**

No more than one (1) limbo period will be granted to any associate in any fifty-two (52) week period.

Time-off taken during a limbo period for medical and/or family reasons may be applied towards an associate's twelve- (12) week job-protected FMLA leave (or 26 weeks in the instance of Military Caregiver leave).

Harris Teeter will not require associates to substitute any vacation and/or personal hours during a medical and/or family leave of absence. However, associates may request to be paid for any allocated and available vacation and/or personal hours anytime during their medical and/or family leave of absence.

Unless otherwise provided by applicable law, Harris Teeter reserves the right to run any paid vacation or personal leave concurrently with FMLA leave

## INTERMITTENT AND REDUCED SCHEDULE LEAVE

Associates should contact Harris Teeter's Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

Intermittent leave is leave taken in separate blocks of time, ranging from an hour or more to several weeks, on account of a single incident of a serious health condition that qualifies for FMLA leave. It may be taken on an occasional basis for medical appointments or it may be taken several days at a time spread over an extended period, such as for chemotherapy.

Reduced schedule leave is leave that reduces the associate's usual number of work hours per workweek or workday. It is normally a change from a full-time schedule to a part-time schedule. An associate who is recovering from a serious health condition and is not able to work full-time may request reduced schedule leave.

An associate may take leave intermittently or on a reduced schedule under the following circumstances:

- The associate has a disability that substantially limits him or her in a major life activity, and intermittent medical leave is a reasonable accommodation in the performance of the essential functions of his or her position and does not cause the Company undue hardship;
- The associate has a serious health condition, that requires intermittent medical leave;
- The associate has a spouse, child, or parent with a serious health condition, that requires intermittent family leave; or
- The associate receives permission from the Company to take intermittent leave or work on a reduced schedule.

In the event that intermittent leave or a reduced leave schedule is medically necessary as a result of the associate's own serious health condition or the serious health condition of the associate's spouse, child, or parent, the associate is required to provide certification from a health care provider of the medical necessity of such leave, including the duration and schedule of such leave.

To accommodate intermittent or reduced schedule leaves of absence, Harris Teeter may require that the associate transfer temporarily to an available alternative position for which the associate is qualified and that better accommodates the recurring periods of leave than the associate's regular position does. The alternative position will have equivalent pay and benefits, though it may not have equivalent duties or other conditions of employment.

All intermittent or reduced schedule leaves of absence taken for FMLA-reasons by FMLA-eligible associates apply towards their job-protected FMLA leave limit of twelve (12) weeks (or 26 weeks in the instance of Military Caregiver leave) in a rolling fifty-two (52) week period.

### **SCHEDULING MEDICAL TREATMENT**

If the associate is requesting leave for planned medical treatment, either for the associate or a family member, Harris Teeter may ask the associate to make a reasonable effort to schedule the treatment so as not to unduly disrupt Harris Teeter's operations.

### **CERTIFICATION OF MEDICAL CONDITION**

Unless otherwise provided by applicable law, when requesting leave for the serious health condition of a family member or for the associate's own serious health condition, Harris Teeter requires that the associate provide certification of the need for leave. This certification form is provided by Harris Teeter and completed by the associate's attending health care provider.

The certification must be provided to Harris Teeter's Benefits Department within twenty (20) calendar days of the associate's request for leave, unless it is not practicable under the circumstances. Failure to provide adequate certification may result in the delay of FMLA leave.

If Harris Teeter finds reason to doubt the validity of any certification, then it may require (at its own expense) a second medical opinion from a health care provider designated or approved by Harris Teeter but not regularly employed by Harris Teeter. Should the second opinion differ from the original certification provided by the associate, Harris Teeter may require (at its own expense) that the associate obtain a third opinion. The opinion of the third health care provider, designated or approved by both Harris Teeter and the associate, is final and binding on both Harris Teeter and the associate.

Harris Teeter, in its discretion, may require re-certification of the continued need for leave on a periodic basis while the associate is on a leave of absence.

## **BENEFITS CONTINUATION WHILE ON LEAVE**

While on an approved FMLA-protected leave of absence, the associate's insurance benefits, including life, AD&D, medical, and dental coverage for the associate and the associate's family, will be continued as if the associate were not on leave.

Unless otherwise noted in this policy, all vacation and/or personal hours and other benefit accruals will be suspended during an associate's leave but will be resumed upon the associate's return to work. The taking of FMLA leave will not result in the loss of any benefit that accrued prior to the start of the leave.

Insurance premiums ordinarily made by the associate through payroll deductions must be continued during the leave period. Associates who are eligible for salary continuation or short-term disability payments will have their insurance premiums automatically deducted from their checks. Other associates will follow the payment process outlined below.

The associate's total contribution amount due for that period must be paid by mail or in person on or before each regularly scheduled payday. It is an associate's responsibility to contact the Benefits Department regarding their payment of insurance while on leave.

Should the associate cease making insurance payments or be more than thirty (30) days late in making a payment, Harris Teeter's obligation to continue insurance benefits will cease. The Company will provide written notice that the payment has not been received and such notice will be mailed to the associate at least fifteen (15) calendar days before coverage is to cease. If the associate fails to return from leave, under some circumstances the Company may recover its share of the health plan premiums.

## **RETURN FROM LEAVE - OFFERED A SAME OR EQUIVALENT POSITION**

A "same or equivalent position" is defined as: "The position that the associate held when their leave began or another position with equivalent benefits, pay, and other conditions of employment."

Associates will be offered the same or equivalent pre-leave position if they:

- Were eligible for job-protected FMLA leave when their leave began; and
- Applied for and were granted job-protected FMLA leave and provided all requested information in a timely manner; and
- Returned to work at or before the conclusion of the job-protected FMLA leave; and
- Are qualified for and can perform the essential functions of the position with or without a reasonable accommodation, at the time they are released to return to work.

The associate may be required to present a fitness for duty or other similar certificate that releases them to work by their doctor before being restored to employment.

No benefits that accrued prior to taking job-protected FMLA leave will be lost because job-protected FMLA leave was taken. However, the associate will not be entitled to accrue additional employment benefits while on job-protected FMLA leave. In addition, the associate is not entitled to any right, benefit, or condition of employment other than a right, benefit, or condition of employment that the associate would have been entitled to if the associate had not taken job-protected FMLA leave.

An associate who is eligible for job-protected FMLA leave may be offered the opportunity to return from FMLA leave to accept a “light duty” assignment, but Harris Teeter will not require the associate to accept such a light duty position. However, a refusal to accept a light-duty assignment could mean suspension of payments from short-term disability insurance, long-term disability insurance, salary continuation, or state workers’ compensation funds.

Associates who have not met the requirements stated above are eligible to apply for leave that is not job-protected.

### **KEY ASSOCIATE**

If the associate is designated a “key associate”, the associate may not be entitled to return to their same and/or equivalent pre-leave position following their leave. A “key associate” is defined as “a salaried associate whose compensation is in the top 10% of all associates located within a seventy-five (75) mile radius of the associate’s work site”.

Should Harris Teeter determine that substantial and grievous economic injury would result from reinstatement at the scheduled end of leave, the associate will be notified of that fact in writing and the associate will be given an opportunity to end the leave and return to work. If the associate remains on leave after receiving notice and the opportunity to return to work, the associate will not have a right to be restored to their same or equivalent position at the end of the leave.

### **ADDITIONAL FAMILY LEAVE**

Associates who are eligible for FMLA leave are provided with an unpaid family leave of absence that can extend up to a maximum of twenty-six (26) weeks. If the initial period of approved absence proves insufficient, consideration will be given to a request for an extension. To be considered, requests for extensions must be received not later than the end of the associate’s leave of absence period.

Any combination of medical, family, and/or personal leaves may not exceed one hundred and four (104) weeks in any rolling three (3) year period, unless otherwise required by law.

All family leave taken by FMLA-eligible associates applies towards their job-protected FMLA leave limit of twelve (12) weeks (or 26 weeks in the instance of Military Caregiver leave) in a rolling fifty-two (52) week period. All family leave also applies toward any applicable state leave limit.

If an associate fails to return to work by seven (7) days after their family leave of absence ends, Harris Teeter will consider that the associate has voluntarily resigned their employment.

Associates should contact Harris Teeter’s Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

## **ADDITIONAL MEDICAL LEAVE**

Associates who are eligible for FMLA leave may be granted a medical leave of absence for the period of their serious health condition and/or disability, up to a maximum of fifty-two (52) weeks. The term “disability” as used in this policy means a physical or mental impairment that substantially limits the associate in a major life activity.

If the initial period of approved leave proves insufficient, consideration will be given to a request for an extension.

Any combination of medical, family, and/or personal leaves of absence may not exceed one hundred and four (104) weeks in any rolling three (3) year period, unless otherwise required by law.

All medical leave taken by FMLA-eligible associates applies towards their job-protected FMLA leave limit of twelve (12) weeks in a rolling fifty-two (52) week period. All medical leave also applies towards any applicable state leave limit.

**Associates who are released by their doctor to return to work are required to notify their supervisor and/or facility management within seven (7) days of their release and must be available to immediately return to work after this notification. This time period may be extended for associates who have actually requested and are eligible for a family leave of absence and for associates who have requested and are taking available vacation/personal time.**

**When an associate does not notify their supervisor and/or facility management within seven (7) days of their release or is not available to immediately return to work when requested after being released by the doctor, Harris Teeter will consider that the associate has voluntarily resigned his or her employment.**

Associates should contact Harris Teeter’s Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

**Some states, including the District of Columbia, have separate and different family and medical leave laws, and Harris Teeter fully complies with these laws. To the extent that those state or local laws provide a greater benefit to the associate than this policy, those laws shall apply. For additional information about the specific laws and policies in your location, please contact Harris Teeter’s Corporate Office Benefits Department and refer to the Company’s *Leaves of Absence* policy (P-15) on HT’s Intranet Policy & Procedure Manual.**

## **Military Leave of Absence**

Associates should contact Harris Teeter’s Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

A military leave of absence will be granted to associates who are absent from work because of service in the United States uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). USERRA applies to members of the active duty U.S. Armed Services, and their Reserve components, as well as the Coast Guard, National Guard and the Commissioned Corps of the Public Health Service. Associates who are called to state active duty, such as in a state national guard, also may be eligible for leave of absence and should contact a manager or Harris Teeter's Corporate Office Benefits Department for details. Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or such notice or it is otherwise impossible or unreasonable.

A military leave of absence generally will be unpaid. However, associates may use any available paid time off for the absence if they wish, but are not required to do so. Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the associate is otherwise eligible. Benefit accruals, such as PTO, or holiday benefits, will be suspended during the leave and will resume upon the associate's return to active employment.

#### **FOR RESERVISTS WHO ARE CALLED UP TO ACTIVE DUTY ONLY**

Harris Teeter will supplement the difference between the last normal scheduled pay while at Harris Teeter and the military pay paid to that associate. Differential pay will be paid at normal pay periods and mailed per associate's request. The associate has a continual obligation to furnish Harris Teeter verification of military pay for the supplemental amount to be calculated and paid.

Associates on military leaves of absence for up to thirty (30) days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Associates on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Associates returning from military leave will be placed in the position they would have attained had they remained continuously employed, or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

**Some states have additional laws on military leave. To the extent that certain state or local laws provide a greater benefit than this policy, those laws shall apply. For additional information about the specific laws and policies in your location, please contact Harris Teeter's Corporate Office Benefits Department and refer to the Company's Leaves of Absence policy (P-15) on HT's Intranet Policy and Procedure Manual.**

### **Leave for School Appearances**

Up to four (4) hours of leave per calendar year are available to any eligible associate who is the parent or legal guardian of a school-aged child so that the associate may attend or otherwise be involved at the child's school. Whether such leave is paid depends on the associate's status as a salaried or hourly associate.

The term "school" is defined in this policy as "any public or private grade school, preschool, or child day care facility."

The leave shall be at a mutually agreed upon time between the associate and their supervisor. The supervisor may require a written request for the leave at least 48 hours before the time desired for the leave. The supervisor may require that the associate furnish written verification from the child's school that the associate attended or was otherwise involved at that school during the time of the leave.

For additional information, please refer to the Company's *Leaves of Absence* policy (P-15) on HT's Intranet Policy & Procedure Manual.

Some states, including the District of Columbia, have additional laws regarding school appearances. To the extent that certain state or local laws provide a greater benefit than this policy, those laws shall apply. For additional information about the specific laws and policies in your location, please contact Harris Teeter's Corporate Office Benefits Department.

### **Time Off to Vote**

Harris Teeter encourages associates to fulfill their civic responsibilities by participating in federal, state, or local government elections. Generally, associates are able to find time to vote either before or after their regular work schedule. If associates are unable to vote in an election during their non-working hours, Harris Teeter will grant up to 4 hours of time off to vote. Whether an associate receives pay for this time off depends upon the associate's status as a salaried or hourly associate as well as the applicable laws in the associate's location. Unless otherwise provided by applicable state or local laws, associates should request time off to vote from their immediate supervisor or manager at least two (2) weeks prior to the Election Day. Advance notice is required so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

**Additional laws apply to associates working in certain states, including Maryland. To the extent that those state or local laws provide a greater benefit than this policy, those laws shall apply. Please contact Harris Teeter's Corporate Office Benefits Department for more information about the relevant rules in your location.**

### **Witness/Jury Duty**

Harris Teeter encourages associates to comply with their legal obligations to appear in court or other legal proceedings for witness or jury duty when subpoenaed or summoned to do so. If Harris Teeter has subpoenaed associates, or associates are otherwise requested by **Harris Teeter** to testify as witnesses in a judicial proceeding, they will receive paid time off for the entire period of witness duty.

**Salaried associates.** Salaried associates receive full pay at their base rate for jury duty and required appearances as a subpoenaed witness in legal proceedings, reduced by amounts received as a stipend for the jury duty or appearance; however, associates will not receive pay in any workweek in which they do not perform any work for the Company. Salaried associates are not required to use any available paid leave benefit (such as vacation and/or personal hours) for absences for legal appearances that would otherwise be unpaid, but may choose to do so if such paid leave time is otherwise applicable and available. Deductions will not be made from an exempt associate's salary for any absence caused by jury or witness duty.

**Hourly associates.** Unless otherwise provided by applicable state or local laws, hourly associates generally are not paid by the Company for jury duty or absences for legal proceedings, but will instead retain any amounts received as a stipend. Hourly associates are not required to use any available paid leave benefit (such as vacation and/or personal hours) for absences for legal proceedings. Hourly associates may, however, choose to use any paid leave benefit to receive full pay for such periods. To the extent a paid leave benefit is used, leave pay will be reduced by amounts received as a stipend for the corresponding period.

The subpoena or summons should be shown to the associate's immediate supervisor or manager immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the associate's absence. To receive jury duty or witness duty pay, the associate must present a subpoena, summons, or statement of jury service to his or her supervisor. The court or other tribunal issues this document.

No adverse action will be taken whatsoever against any associate for responding to a jury or witness summons.

**Additional laws apply to associates working in certain states, including the District of Columbia, and Georgia. To the extent that those state or local laws provide a greater benefit than this policy, those laws shall apply. Please contact Harris Teeter's Corporate Office Benefits Department for more information about the relevant rules in your location.**

## **Educational Leave of Absence**

**This policy applies to associates employed a minimum of 90 days and who go away to attend college on a full-time basis and desire to continue to work for Harris Teeter and those part-time associates who work at Harris Teeter while attending college on a full-time basis and go home during their college breaks.**

Associates should contact Harris Teeter's Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

For additional information, please refer to the Company's *Educational Leave* policy (P-86) on HT's Intranet Policy & Procedure Manual.

## **Personal Leave Of Absence**

Associates should contact Harris Teeter's Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

All associates can request an unpaid personal leave of absence for any significant personal reason not covered by any other type of leave available to the associate under this policy. At the Company's discretion, an associate may be placed on a personal leave of absence for up to a maximum of twenty-six (26) weeks. If the initial period of absence proves insufficient, consideration will be given to a request for an extension.

Each request for a personal leave of absence will be considered by Harris Teeter on a case-by-case basis. Harris Teeter shall have the sole discretion to determine whether or not to grant a request for a personal leave of absence.

Any combination of medical, family, and/or personal leaves of absence may not exceed one hundred and four (104) weeks in any rolling three (3) year period, unless otherwise required by law.

An associate should make a request for personal leave of absence at least thirty (30) days in advance when the need for leave is foreseeable and as soon as possible when the need for leave is not foreseeable.

**To be considered, requests for extensions must be received not later than the end of the associate's leave of absence period. If an associate fails to return to work seven (7) days after their personal leave of absence ends, Harris Teeter will consider that the associate has voluntarily resigned their employment.**

For additional information, please refer to the Company's *Leaves of Absence* policy (P-15) on HT's Intranet Policy & Procedure Manual.

## GENERAL WORK RULES

### Policies and Procedures

A link to Harris Teeter's Policies and Procedures Manual is located on HT's Intranet Homepage [**under Standards and Manuals**]. All policies contained in the Policies and Procedures Manual supersede and replace any and all previously issued versions of the same policy, and may be changed with or without notice.

If you have a question about a policy, look it up on the HT Intranet or ask your immediate supervisor or manager to let you review the policy in question.

### Problem Resolution

Harris Teeter is committed to providing the best possible working conditions for its associates. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from Harris Teeter management.

Harris Teeter strives to ensure fair treatment of all associates. Everyone is expected to treat each other with mutual respect. All associates are encouraged to offer positive and constructive criticism to each other to help each other succeed.

If associates disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure; however, voicing such concern does not relieve the associate from complying with the rule of conduct, policy, or practice while it remains in effect. No associate will be penalized, formally or informally, for voicing a concern or complaint with Harris Teeter in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when associates believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The associate may discontinue the procedure at any step.

1. Associate presents issue to Supervisor after incident occurs. If Supervisor is unavailable or associate believes it would be inappropriate to contact that person, associate may present issue to another appropriate member of management.
2. Supervisor responds to issue during discussion or, if necessary, after consulting with appropriate management. Supervisor documents discussion.
3. If issue is unresolved or if the associate is uncomfortable approaching his or supervisor and/or location management, associate presents issue to Associate Relations Specialist or Vice President of Associate Relations & Administration.

Associate Relations Specialists or Vice President of Associate Relations & Administration counsels and advises associate, assists in putting issue in writing, confers with associate's manager(s), as appropriate, and, if necessary, directs associate to appropriate vice president for review of issue.

4. Associate may present issue to appropriate Vice President.
5. Appropriate Vice President reviews and considers issue in consultation with the Human Resources Department. Vice President informs associate of decision and forwards their decision to the Human Resource Department.
6. Associate may present issue to President.

Not every issue can be resolved to everyone's total satisfaction, but only through understanding and discussion of the issue can associates and management develop confidence in each other. This confidence is important to the operation of an efficient and harmonious work environment, and helps to ensure everyone's job security.

## **Business Ethics and Conduct**

The continued success of Harris Teeter is dependent upon our customers' trust and we are dedicated to preserving that trust. Associates owe a duty to Harris Teeter, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

Harris Teeter will comply with all applicable laws and regulations and expects its directors, officers, and associates to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with one of the Ethics Officer for advice and consultation. The Senior Vice President of Human Resources serves as one of the Ethics Officers.

Compliance with this policy of business ethics and conduct is the responsibility of every Harris Teeter associate. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

For additional requirements for salaried associates, please refer to the Company's *Ethical Standards and Conflicts of Interest* policy (EX-3) on HT's Intranet Policy & Procedure Manual.

## **Accounting, Internal Accounting Controls, or Auditing Complaints**

Harris Teeter has established procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.

Persons with complaints regarding accounting, internal accounting controls or auditing matters may call toll-free **1-866-536-7922**. Live operators can be reached at this number 24 hours a day, 7 days a week. You can report your concerns anonymously and confidentially.

## **Telephone, Computer, Internet and E-mail Usage**

Computers, computer files, software, the e-mail and telephone system and all other communication systems available to associates are Harris Teeter property and are intended primarily for business use.

Associates should not use a password not assigned to them, or access a file or stored communication that was not created or received by them, without express authorization from management.

Harris Teeter strives to maintain a workplace free of harassment and sensitive to the diversity of its associates. Therefore, Harris Teeter prohibits the use of telephones, computers, the Internet and the e-mail system in ways that are obscene or **would constitute discrimination**. Examples of unacceptable content may include, but are not limited to, sexual comments or images, ethnic or racial slurs, racial comments, off-color jokes, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of basis of race, color, religion, gender, sex (including pregnancy), national origin, age, disability, genetic information, military or veteran status, sexual orientation, gender identity or expression, marital status or family responsibilities, or any other characteristic protected by law.

Harris Teeter purchases and licenses the use of various computer software for business purposes. The company does not own or have the right to reproduce the copyright to this software. Therefore, associates are prohibited from copying software and may only use software on local area networks or on multiple machines according to the software license agreement.

Harris Teeter provides Internet access to global electronic information resources on the Internet to assist associates in conducting work-related activities. Personal use of the Internet while at work is not permitted except non-working time, which includes break and/or meal periods and time before and after work. Associates are prohibited from the unauthorized use, installation, copying or distribution of copyrighted, trademarked, or patented material on the Internet for Harris Teeter business purposes.

Company telephones may be available for limited use for personal calls during breaks, meal periods, or at other times, with their supervisor's prior approval. Associates are required to reimburse Harris Teeter for any charges [long distance fees, toll fees, access fees, etc.] resulting from their personal use of the telephone or other communication systems. Associates may be required to reimburse Harris Teeter for any extra charges resulting from their personal use of Company communication systems in accordance with applicable law.

To ensure effective telephone communications, associates, [in the performance of their duties](#), should always use the approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only **after** the caller has done so.

Associates who violate this policy may be held personally liable and may be subject to disciplinary action, up to and including termination of employment. For additional information, please refer to the Company's *Information Security (P-74)* policy on HT's Intranet Policy & Procedure Manual.

**Certain states may have separate laws on workplace monitoring. To the extent that those state or local laws provide different rules than this policy, those laws shall apply. Please contact Associate Relations for more information about the relevant rules in your location.**

## **Workplace Monitoring**

Workplace monitoring may be conducted by Harris Teeter for business reasons which may include, but are not limited to, quality control, associate safety, security, reviewing an associate's performance, and customer satisfaction.

Associates who communicate with customers may have their telephone conversations monitored or recorded, as permitted by applicable laws. Telephone monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our customers' image of Harris Teeter as well as their satisfaction with our service.

All computer-generated documents, e-mail and Internet messages and transactions, and the equipment and technology provided to access the Internet remain at all times the property of Harris Teeter. Harris Teeter may for business purposes read any data composed, sent or received through our on-line connections and stored in our computer systems, as permitted by applicable laws. Additionally, all Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Harris Teeter and, as such, is subject to disclosure to law enforcement or other third parties. Therefore, associates should not assume these messages and/or transactions are private. Rather, they must assume that someone other than the intended or designated recipient may read any and all messages.

Harris Teeter may, for business reasons, audit and/or monitor Internet traffic and e-mail system usage. Examples of business reasons include, but are not limited to, ensuring that e-mail and the Internet are being used for their intended and permitted purposes, preventing misuse of the e-mail system, performing troubleshooting and/or maintenance and for other business purposes.

Harris Teeter conducts video surveillance of non-private workplace areas, as permitted by applicable laws. Video monitoring is used to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage or prevent acts of harassment and workplace violence. Most video monitoring cameras are in clear sight. Therefore, video monitoring will help to ensure the safety and security of our associates and visitors.

Harris Teeter is sensitive to the legitimate privacy rights of associates, and every effort will be made to guarantee that video monitoring is done in an ethical and respectful manner. Throughout our facilities, there are video cameras that are used from time to time to carry out the objectives mentioned above. Associates should not have an expectation of privacy except in certain designated areas. These designated areas only include the restrooms and rooms designated for accommodating nursing mothers.

Please use this information and your own good judgment accordingly. If you have any questions or concerns regarding this practice, please contact your Human Resources representative. Read Workplace Monitoring for additional information.

**Certain states may have separate rules on workplace monitoring. To the extent that those state or local laws provide different rules than this policy, those laws shall apply. Please contact Associate Relations for more information about the relevant rules in your location.**

## **Use of Equipment**

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using this equipment, associates are expected to exercise care, and follow all operating instructions, safety standards, and guidelines. The improper, careless, negligent, destructive, or unsafe use or operation of equipment may result in disciplinary action, up to and including termination of employment.

Please notify the immediate supervisor or manager if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to associates or others. The immediate supervisor or manager can answer any questions about an associate's responsibility for use and care of equipment used on the job.

## **Non-Disclosure**

The protection of confidential business information and trade secrets is vital to the interests and the success of Harris Teeter. Such confidential information includes, but is not limited to, the following examples: Banking, Computer Processes, Computer Programs / Codes, Customer Lists, Customer Preferences, Financial Information, Marketing Strategies, New Materials Research, Pending Projects / Proposals, Proprietary Production Processes, Research /Development Strategies, Technological Data, Technological Prototypes, and VIC information.

Associates who are exposed to confidential information may be required to sign a non-disclosure agreement as a condition of employment. Regardless of whether an agreement is signed, associates who improperly use or improperly disclose trade secrets or confidential business information to third parties may, unless otherwise allowed by applicable laws such as the NLRA, be subject to disciplinary action, up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

## Conflicts of Interest

Associates have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. The purpose of these guidelines is to provide general direction so that associates can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Ethics Committee for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an associate is in a position to influence a decision that may result in a personal gain for that associate or for a relative as a result of Harris Teeter's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the associate is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if associates have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of Harris Teeter as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties. Personal gain may result not only in cases where an associate or relative has a significant ownership in a firm with which Harris Teeter does business, but also when an associate or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving Harris Teeter.

For additional information, please refer to the Company's *Ethical Standards and Conflicts of Interest* policy (EX-3) on HT's Intranet Policy & Procedure Manual.

## Moonlighting

Associates are prohibited from being employed by another grocery retailer. Pharmacists and Pharmacy Technicians are prohibited from being employed by another pharmacy retailer.

Associates are prohibited from performing duties similar to their HT job with a nearby competitor. Examples include but are not limited to: Bakers and Cake Decorators working for a nearby competitor bakery; Meat cutters working for a nearby competitor butcher shop; Floral associates working for a nearby competitor floral shop; Starbucks associates working for a nearby competitor coffee house.

Associates are also prohibited from being on any type of paid or unpaid leave, inactive status, and/or sabbatical of any type from other grocery retailers and/or pharmacy retailers.

Associates are prohibited from being employed by HT and another employer if both:

- Their duties for the other employer require them to service and/or otherwise work in a HT facility; AND
- Their duties as a HT associate require them to work in the same HT facility (as indicated in #1 above).

Associates are prohibited from using HT facilities, vehicles, equipment, and/or property of any kind while they are performing duties for another employer without the prior approval of the senior facility manager.

Associates are prohibited from receiving any type of monies, benefits, merchandise, and/or other material gain from another employer for the materials produced or services rendered while performing their HT position.

Otherwise, associates may hold outside positions with another employer as long as they meet the performance standards of their position with HT. All associates will be subject to HT's scheduling demands, regardless of the other company's work requirements.

A conflict of interest occurs when HT, in its sole discretion, determines that outside employment is preventing an associate from performing their HT position duties with impartiality and complete allegiance to the best interest of HT. Actions by associates must always be in the best interest of HT and must never be or seem to be influenced by another employer's and/or the associate's personal consideration, benefit, or gain.

If HT, in its sole discretion, determines that an associate's outside employment is a conflict of interest, interferes with their HT job performance or their ability to meet HT job requirements as they are modified from time to time, or otherwise is in conflict with this policy, the associate will be asked to either modify or resign from their outside employment or resign their employment with HT.

For additional information, please refer to the Company's *Moonlighting* policy (P-6) on HT's Intranet Policy & Procedure Manual.

## **Social Media and Social Networking**

**This policy is not intended to restrict or interfere with any employee's federal or state labor law rights, including any and all rights to engage in protected concerted activity under the National Labor Relations Act, or any whistleblower protections under federal or state law.**

Harris Teeter reserves the right to monitor social media for references to Harris Teeter to address customer concerns, provide Service Excellence, and to assess competitive business situations.

Social media, including personal and professional websites, blogs, chat rooms, and bulletin boards; social networks, such as Facebook, LinkedIn, Twitter and My Space; and video-sharing sites, tweets, and e-mail are common means of communication and self-expression. Because online postings can conflict with the interests of the Company, Harris Teeter has adopted the following policy.

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

Harris Teeter may for business purposes read any data composed, sent or received through our on-line connections and stored on our computers or in our computer systems, as permitted by applicable laws. All such computer-generated documents, e-mail and Internet messages, transactions, and other electronic information as well as the equipment and technology provided to access the Internet, remain at all times the property of Harris Teeter. Associates have no expectation of privacy when they use these systems.

**Confidentiality and Privacy.** Do not disclose confidential or proprietary information of the Company or personal identifying information of customers (such as account information, medical information, social security numbers, birthdates, and customer's names, home addresses, telephone numbers) in online postings or publications. Sharing these types of information, even unintentionally, could harm customers or the Company, and result in legal action against you or Harris Teeter.

**Your Identity Online.** You are personally liable for all communications and information you publish online. Harris Teeter may be liable for external online activity that uses Company resources, a Company email address or any email address that can be traced back to the Company's domain, which generally is any internet address affiliated with the Company.

Outside the workplace, you have a right to participate in social media and networks using your personal email address. However, information and communications that you publish on personal online sites should never appear to be endorsed by, or to have originated from, the Company.

If you participate in social networking sites such as Facebook, but do not use your Company e-mail address or otherwise identify yourself as being affiliated with Harris Teeter, you should keep in mind that many of your “friends” or contacts may work for Harris Teeter or could be customers of Harris Teeter.

**Limitations on Online Publications.** Obey the law. Do not post any information or engage in any online activity that violates applicable local, state or federal laws. Identify all copyrighted or borrowed material with citations and links. When publishing direct or paraphrased quotes, thoughts, ideas, photos, or videos, give credit to the original publisher or author.

Direct all requests for professional references for current or former Harris Teeter associates to Associate Relations. Comments you post about current and former associates can have legal consequences, even if you make the comments personally and not on the Company’s behalf.

Do not threaten or defame the Company’s associates or customers. Also, harassment, which is defined as unwelcome comments based on an associate’s or customer’s race, color, gender, religion, national origin, age, disability, military status, sexual orientation, genetic information, or any other category protected by applicable law, is strictly prohibited.

Misappropriating the Company’s trade secrets in a website, blog, chat room, video-sharing site or bulletin is prohibited.

Do not surreptitiously gain or attempt to gain access to social media networks through deceptive means.

## **Statements to the Media**

Hourly and management associates may not speak on behalf of the Company to the media unless specifically authorized to do so. If contacted by the media for a statement on behalf of the Company, associates should not make a statement or provide any information, but should instead do one of the following:

- Reply that they are not authorized to comment for Harris Teeter and state, *“It is our Company’s policy to refer all media inquiries to our Corporate Communication Department. Please call 704-844-3209 for assistance.”*
- As appropriate, reply that they are not authorized to provide the information sought, or do not have the information being sought, and take the name and contact information of the media organization and provide it to the Corporate Communication Department.

Hourly associates should report to a management associate that they were contacted by the media for a statement on behalf of the Company.

Management associates should immediately inform a member of the Corporate Communication Department of the media request for information by calling either 704-844-3209 or 704-844-3904.

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

If an associate speaks to the media about non-Company matters, or responds to a media inquiry not on behalf of the Company, please keep in mind the following:

- Express only your personal opinions. Never represent yourself as a spokesperson for Harris Teeter without express permission from the President & Chief Operating Officer or the senior member of the Corporate Communication Department.
- Do not disclose confidential or proprietary information, including trade secret information (such as the development of systems, process, products, know-how and technology), or other proprietary information (such as internal reports and procedures), or customer information (such as names, home addresses, and telephone numbers) without prior approval or authorization from a supervisor. Sharing these types of information, even unintentionally, could harm customers, the Company, or associates at the Company, and result in legal action against you or Harris Teeter.

- Do not threaten or make maliciously false statements about the Company's associates, customers, or vendors.
- If you have any questions about whether this policy applies to a particular situation, or whether you are permitted to respond to a media inquiry, please contact the Corporate Communications Department for assistance before responding.

## **Drug and Alcohol Use**

Harris Teeter strives to maintain a drug-free, safe and healthful workplace. This policy benefits you, our other associates, and our customers. It also promotes safe work practices, productivity and the protection of our customers' and our Company's assets.

### **Definitions**

Drugs: "Illegally-used controlled substances" (encompasses narcotic and non-narcotic drugs, including prescription drugs used abusively) and "non-controlled" substances (over-the-counter medicines if they render one unfit for duty). Alcohol also is a drug for purposes of this policy. Additionally, the use of any substance for the purpose of achieving a drug-like effect will fall under the prohibition against drugs.

Under the Influence: Means the presence of any drug or alcohol in the body as verified by laboratory tests, or impairment to any degree, as verified by appropriate field tests. Under the influence also shall mean the presence of alcohol or drugs as indicated by behavior that is reasonably construed to indicate the presence of alcohol or drugs.

Possession: Includes the presence of alcohol or drugs in the possession or control of the associate and in lockers, tool boxes, bags, parcels, lunch boxes, other personal articles, or personal automobiles while located on Company or customer property.

### **Use, Possession, Sale of Drugs or Alcohol or Criminal Convictions**

Associates are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner. The following is prohibited and shall be grounds for discipline up to and including immediate discharge:

- Possession, use, distribution, sale, manufacture or offering of controlled substances, illegal drugs, alcohol, or drug paraphernalia while on Harris Teeter premises and while conducting business-related activities off Harris Teeter premises.
- Reporting to work under the influence of alcohol or drugs or being under the influence of alcohol or drugs during working hours on Harris Teeter premises.
- Unauthorized use of Company property, including vehicles, for the storage or transportation of alcohol or drugs.
- Use, possession, manufacture, distribution, dispensation, or sale of illegal drugs, controlled substances or alcohol or being under the influence of the same off Company premises and which adversely affects the associate's work performance, his own or others' safety, or Company's regard or reputation in the community.
- Conviction under or pleading to a criminal drug statute. Note that associates are required to notify management if they are arrested for, charged with, or convicted of certain offenses. Please refer to the Arrests and Convictions section for mandatory reporting requirements related to such arrests and convictions.

The above prohibitions shall not include drugs taken according to the verifiable prescription and direction of a licensed physician. However, if, under a physician's guidance, you are taking prescription drugs or other medication, which may affect your ability to work safely and effectively, you are responsible for notifying your supervisor before beginning work. Whether an associate is taking a prescription drug, non-prescription drug or other medication, an associate who reports to work or who is observed at work and is incapable of safely performing his/her job may be subject to disciplinary action which may include termination of employment.

Any associate whose off-duty abuse of alcohol or illegal or prescription drugs results in excessive absenteeism or tardiness or causes accidents or poor work performance may be referred for outside rehabilitation or a treatment program and may face termination of employment if he or she refuses.

Harris Teeter may direct you to take a substance abuse test, which will be conducted in compliance with applicable state law. If you refuse to take such a test, your employment with us may be terminated in compliance with applicable state and/or federal law.

Associates with questions or concerns about substance dependency or abuse are encouraged to use the confidential resources of the Employee Assistance Program (EAP). They may also wish to discuss these matters with their Manager or the Benefits Department at the Corporate Office to receive assistance or referrals to appropriate resources in the community.

Associates with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may request approval to take unpaid time off to participate in a rehabilitation or treatment program. Leave may be granted if the associate agrees to abstain from use of the problem substance; abides by all Harris Teeter policies, rules, and prohibitions relating to conduct in the workplace; and if granting the leave will not cause Harris Teeter any undue hardship.

Associates with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their immediate supervisor, Associate Relations Specialists, or the Vice President of Associate Relations & Administration at the Corporate Office without fear of reprisal.

## **Drug Testing**

The Company is committed to protecting the safety, health, and well-being of its associates and all people who come into contact with its workplace and property, and/or use its products and services. Recognizing that substance abuse poses a direct and significant threat to this commitment, the Company provides this policy to explain its guidelines regarding substance abuse prevention.

Substance abuse prevention is everyone's responsibility. The Company expects all of its associates to recognize and accept this responsibility and to do their part to assure that we achieve and maintain a work environment that is free from substance abuse. Therefore, the Company has established a program under this policy to detect and remove the abuse of alcohol, drugs, or other controlled substances from its environment.

### **DEFINITIONS FOR THE PURPOSES OF THIS POLICY**

"Company property" includes but is not limited to work sites, parking lots, and vehicles owned, rented, utilized, or serviced by the Company. This term also includes all vehicles either on Company property or used by associates while representing the Company in any capacity.

"Illegal drugs" are drugs or controlled substances that are not legally obtainable or that are legally obtainable but not obtained or used in a lawful manner. Examples include but are not limited to cocaine, marijuana, heroin, opiates, amphetamines, and PCP. Illegal drugs also refer to mind-altering and/or addictive substances that are not sold as drugs or medicines, but are used for mind-altering or behavior-altering effect, as well as synthetic

substances that mimic the effect of illegal drugs and any other substances defined as “controlled dangerous substances” under applicable state or federal law.

Legal drugs” are those over-the-counter drugs and prescribed drugs that are legally prescribed by, administered by, or obtained from a health care professional. These drugs should be used only as intended and by the associates for whom they are prescribed, and only in the manner prescribed.

“Controlled substances” are both legal and illegal drugs.

“On-Duty” includes all working hours, as well as meal and break periods, regardless of whether on Company property, and all times when the associate represents the Company in any capacity.

“Conviction” includes a) a determination of guilt by a court of law, sitting with or without a jury; and b) a guilty plea or any plea where the individual agrees that judgment shall be entered against him or her, such as a plea of *nolo contendere*, no contest, or a prayer for judgment.

“Failing” a controlled substance test means testing positively for controlled substances or the presence of biological evidence of controlled substances.

“Passing” a controlled substance test means testing negatively for controlled substances or the absence of biological evidence of controlled substances.

## **DRUG USE PROHIBITIONS**

The use, sale, purchase, possession, manufacture, distribution, or dispensation of illegal drugs on Company property or while On-Duty is against Company policy and is cause for the immediate termination of employment.

It is also a violation of Company policy for an associate to report to work or to perform work for the Company while under the influence of illegal drugs or alcohol. An associate will be considered to be under the influence of illegal drugs if the associate tests positive for such drug(s) (or the biological evidence of such drugs) at or above the cutoff levels established by the Company.

While the Company does not prohibit the lawful use of legal drugs, such drugs may also affect the safety of the associate, fellow associates, and members of the public, if such drugs impair an associate’s ability to perform work duties.

Any associate who is taking any legal drug which might adversely affect the associate’s ability to perform the functions of his or her job safely must advise his or her supervisor prior to reporting to work under such prescription or over-the-counter medication. Failure to do so will result in disciplinary action, up to and including termination of employment.

If the Company determines that such medication use adversely affects the associate’s ability to perform the functions of his or her job safely, the Company may temporarily reassign the associate, grant a leave of absence during the period of treatment, or otherwise attempt to accommodate the associate.

If the Company determines that such use does not pose a risk, the associate will be permitted to work.

Improper use of legal drugs is prohibited and may result in disciplinary action. Prescription medication must be kept in its original container with the associate’s name on the label if such medication is taken during working hours or on Company property.

It is both illegal and a violation of this policy for associates and/or applicants to take legal drugs, which were not prescribed for them. Individuals testing positive for legal drugs for which they do not have a valid prescription will be subject to the disciplinary guidelines outlined in this policy. An example would include an associate testing positive for Codeine, after taking a family member's prescription for Tylenol #3 with Codeine.

Associates are not permitted to distribute prescription drugs to others without a valid prescription while on duty or on Company property.

### **EMPLOYEE ASSISTANCE PROGRAM (EAP) / SUPERVISOR'S REFERRAL**

Associates with substance abuse problems or potential substance abuse problems are encouraged to seek help voluntarily for controlled substance and/or alcohol abuse. Associates are encouraged to seek confidential assistance from the Company-sponsored EAP before their use of controlled substances or alcohol leads to disciplinary action and/or before being asked to submit to a controlled substance test.

Associates may also seek assistance with substance abuse from their immediate supervisor or their Associate Relations Specialist. Associates are able to request one (1) Supervisor's Referral to EAP for substance abuse provided that:

- The associate has not previously failed a Company-mandated controlled substance test; AND
- The associate requests the Supervisor's Referral prior to being asked to submit to a Company-mandated controlled substance test.

Associates who receive a Supervisor's Referral to EAP for substance abuse will not be allowed to return to active duty until:

- EAP recommends that the associate is ready and able to return to work; AND
- The associate successfully passes a Company-mandated Return-To-Duty controlled substance test (including any applicable retest). The associate is required to provide whatever authorization is necessary for the Company to receive the controlled substance test results. Associates who fail a Company-mandated Return-To-Duty controlled substance test will be terminated from employment.

The EAP offers services including initial assessments and counseling, referrals in the local community for continued counseling, case management, and family support counseling. All of these services are vital steps to achieve the successful rehabilitation of an individual who suffers from a substance abuse problem.

Any subsequent treatment after referral from the Company's EAP to an outside treatment provider may be covered under the associate's health care insurance coverage. The costs of continuing treatment or long-term rehabilitation services, whether covered by the associate's health care insurance plan or not, are ultimately the associate's responsibility.

### **DRUG-RELATED CRIME**

Associates are required to notify management of charges, arrests, tickets, and convictions, including those involving illegal/controlled substances and alcohol, as set forth in the "Charges, Arrests, Tickets, and Convictions" section of the Company's Associate Guidebook.

If an associate is arrested for, charged with, ticketed for, or convicted of a drug or alcohol-related offense, the Company will investigate the circumstances of the incident, including considering any explanation of the incident provided by the associate. As part of the investigation, Company officials may require a reasonable suspicion/for cause controlled substance test. The associate is required to provide whatever authorization is necessary for the Company to receive the controlled substance test results.

During the investigation, an associate may be placed on an unpaid suspension. After the investigation is completed, the associate may be reinstated, depending on the facts and circumstances.

If an associate has been suspended, and the case has been dismissed or otherwise disposed of, the Company will make a determination as to whether to authorize the associate's return to work based on the Company's own investigation, as well as other factors related to the associate's employment.

If convicted of a drug or alcohol-related offense during employment with the Company, the associate will be subject to disciplinary action, up to and including the immediate termination of employment.

Because of the seriousness of such situations, the Company reserves the right to alter or change its policy as applied to a particular situation, depending upon its investigation and the totality of the individual circumstances.

## **DRUG TESTING**

The Company requires applicants and associates to submit to controlled substance tests as a condition of employment. In addition, whenever controlled substance tests are conducted pursuant to this policy, the applicant or associate is required to provide whatever authorization is necessary for the Company to receive the test results. The Company conducts tests in the following situations: Pre-Employment or Probationary Period, Promotion, Post-Accident, Reasonable Suspicion/For Cause, Random, Return-To-Duty, Post-Rehabilitation, Government Mandated, and Retests. The Company's controlled substance testing adheres to the requirements of applicable state and federal laws. If this policy is inconsistent with any applicable federal or state law, then that federal or state law shall govern.

**Pre-Employment.** For some job positions, the Company will require associates to complete a pre-employment drug test. In those instances, after the Company extends a conditional job offer to an individual, the individual must immediately submit to and successfully pass a controlled substance test before he or she can begin employment.

**Probationary Period.** If an associate is not required to complete a pre-employment drug test, the individual will be required to complete a controlled substance test at some point during their probationary period of employment.

**Promotion.** Associates must immediately submit to and successfully pass a controlled substance test before being promoted in the following situations:

- From an hourly-paid position to a salaried-paid position.
- Into a management training program.
- Into a pharmacy position.
- Into the Corporate Office.

**Post-Accident.** Associates are required to submit to a controlled substance test immediately after they are involved in a work-related accident, which is defined as either causing an accident or being injured in an accident. For the purposes of this policy, "injured" is defined as requiring medical attention more extensive than minor first aid (e.g. going to a doctor) or losing time from work to recover from the injury. Associates tested under this provision will be allowed to return to work pending the receipt of the test results.

**Reasonable Suspicion/For Cause.** Associates are required to submit to a controlled substance test immediately when:

- The Company has reason to believe that an associate may be impaired or under the influence and therefore may not be able to safely or effectively perform his or her duties. Associates tested under this provision will not be allowed to return to work until the Company receives the results of the test.

- An associate has been charged with, arrested for, ticketed for, and/or convicted of any criminal offense regarding controlled substances. Associates tested under this provision will not be allowed to return to work until the Company receives the results of the test.
- To address incidents which arise suddenly or problems which arise progressively in the workplace. Examples of these incidents include but are not limited to: excessive absenteeism; frequent accidents; erratic behavior; declining work performance; admission of recent illegal drug use; and/or suspected involvement in financial or asset losses of the Company. Associates tested under this provision will be allowed to return to work pending the receipt of the test results.
- The Company reserves the right to test individual associates, or all associates in a particular department or facility under this provision. The decision to test associates under this provision is required to be approved by BOTH Operations and Associate Relations Management.

Appropriate management for Operations includes [listed in preferred order of contact]:

- Retail Stores – Regional VP/Director, VP Operations, District/Area Manager.
- Corporate, Distribution, Hunter Farms – Appropriate Vice President, SVP HR.

Appropriate management for Associate Relations includes [listed in preferred order of contact]:

- VP of Associate Relations and Administration.
- Associate Relations Project Manager.
- SVP Human Resources.

**Random.** All associates are required to submit to a controlled substance test immediately after being selected by a neutral random selection process. The Company contracts with an external firm that specializes in random controlled substance testing programs to administer the selection process. The Company does not have the ability to select which associates will be chosen by this random selection process. Associates tested under this provision will be allowed to return to work pending the receipt of the test results.

**Return-To-Duty.** Associates who have been referred to the Company's EAP provider and are subsequently released by EAP must immediately and successfully pass a Company-mandated controlled substance test before they will be allowed to return to work.

**Post-Rehabilitation.** Associates who have been allowed to return to work after failing a Company-mandated controlled substance test will be required to submit to additional tests following their return to work. Associates tested under this provision will be allowed to return to work pending the receipt of the test results.

**Government Mandated.** Associates who are defined as a driver under the regulations of the U.S. Department of Transportation (DOT) are required to submit immediately to additional controlled substances and/or alcohol tests as mandated by the DOT.

**Retests.** Where required to do so by law and upon proper request from the associate or applicant, the Company will conduct a retest of the sample that produced a confirmed positive test for controlled substances. The Company may provide a right to retest in other circumstances in its discretion. Such a retest will conform to applicable law and will be at the expense of the associate or applicant. Associates tested under this provision will not be allowed to return to work until the Company receives the results of the retest; however, associates with a negative retest may be eligible for reinstatement and other relief, depending on the circumstances and at the Company's discretion.

## **CONTROLLED SUBSTANCES TESTING TIME GUIDELINES.**

Once notified by management, associates and applicants should proceed immediately to the designated collection site and submit to a controlled substances test. To comply immediately means all of the individual's actions after notification are directed towards proceeding to the collection site for the purpose of submitting to a controlled substances test. If an associate does not immediately comply with the notification to undergo a controlled substance test, the associate will be deemed to have refused the controlled substance test and will be subject to discipline, up to and including termination of employment.

## **LEGALLY SANCTIONED USE OF MARIJUANA.**

While federal law and this policy define marijuana as an illegal drug, the Company recognizes that some state laws permit certain legally sanctioned use of marijuana for medical and/or recreational purposes. To the extent the Company's policies conflict with applicable and enforceable federal, state or local laws, including but not limited to the Delaware Medical Marijuana Act ("DMMA"), such federal, state or local law shall govern. Specifically, the Company will not terminate, refuse to hire, or otherwise penalize any associate or applicant based upon that person's status as a cardholder under the DMMA or a registered qualifying patient's positive drug test, unless the patient used, possessed, or was impaired by marijuana on Company property or during the hours of employment. Under no circumstances will the Company permit the use, ingestion, or possession of marijuana for the purposes of medical and/or recreational use on Company property, nor will it permit associates to be impaired or under the influence of marijuana during working hours or on Company property.

## **INSPECTIONS**

The Company reserves the right to ask associates to submit immediately to a search or inspection when:

- The Company has any reason to believe that an associate is using, possessing, or distributing a controlled substance while On-Duty or while on Company property; or
- The Company has any reason to believe that an associate is consuming or has recently consumed alcohol while On-Duty or while on Company property.

The Company may request that the associate make their locker, lunch box, briefcase, purse, pockets, wallet, personal belongings, desk, work station, vehicle, or any property they use or have access to, available for inspection.

Associates may refuse to submit to a search or inspection in which case the search or inspection will not be performed; however, refusal to submit to a search or inspection may result in disciplinary action, up to and including termination of employment.

## **DISCIPLINARY ACTIONS**

### **LEGAL DRUGS**

An individual's controlled substance test may indicate that they have been taking a controlled substance that could be a legal drug. The individual will be required to present documentation from their health care professional indicating that the substance for which the individual initially tested positive was legally prescribed for, obtained by, or administered to the individual.

Individuals who present this documentation as requested will be deemed to have passed the controlled substance test.

Individuals who do not present this documentation as requested will be deemed to have failed the controlled substance test.

## ASSOCIATES

Associates who fail a controlled substance test (including any applicable retest) by testing positive for illegal drugs will be subject to disciplinary action, up to and including the immediate termination of their employment. This provision will not be applied in a manner inconsistent with the DMMA or other applicable and enforceable federal, state, or local law.

Associates who fail a controlled substance test by testing positive for legal drugs for which they do not have a valid prescription will be subject to disciplinary action, up to and including the immediate termination of their employment.

The Company reserves the right to determine if and when an associate who has been suspended under this policy may return to work. Associates returning to work after being suspended under this policy are not guaranteed to return to their previous work location, job, hours worked, benefit status, rate of pay, or any other condition of employment.

In addition, associates will be subject to disciplinary action up to and including the immediate termination of their employment if they do the following:

- Do not submit to a controlled substance test in the time period requested by management, as permitted by applicable laws;
- Do not provide whatever authorization is necessary for the Company to receive the controlled substance test results;
- Attempt to alter or tamper with controlled substance test samples or results;
- Prevent the collection of a valid test sample, such as failing to produce a valid photo ID at the controlled substance test or providing an inadequate sample without a documented medical explanation;
- Do not consent to a search or inspection when requested by the Company; or
- Fail to abide by any of the terms of this policy.

## APPLICANTS

Applicants who fail a controlled substance test by testing positive for illegal drugs or legal drugs for which they did not have a valid prescription will not be eligible for employment and their offer of employment will be revoked. This provision will not be applied in a manner inconsistent with the DMMA or other applicable and enforceable federal, state, or local law.

Applicants will not be eligible for employment and their offer of employment will be revoked if they do the following:

- Do not provide whatever authorization is necessary for the Company to receive the controlled substance test results;
- Do not submit to a pre-employment controlled substance test in the requested time period;
- Prevent the collection of a valid test sample, such as failing to produce a valid photo ID at the controlled substance test or providing an inadequate sample without a documented medical explanation;
- Attempt to alter or tamper with any the test sample or results; or
- Fail to abide by any of the terms of this policy.

## CONCLUSION

The Company reserves the right to change the provisions of this policy and testing program at any time in the future and further reserves the right to determine what, if any, disciplinary action will be taken against those who violate this policy.

Associates with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their immediate supervisor, Associate Relations Specialists, or the Vice President of Associate Relations & Administration at the Corporate Office without fear of reprisal.

For additional information, please refer to the Company's Drug & Alcohol policies (P-67) on HT's Intranet Policy & Procedure Manual.

## **Arrests and Convictions / Illegal Activity Reporting**

Associates are required to notify a member of management, in writing, if they are charged with, arrested for, ticketed for, or convicted of any criminal offenses related to or concerning violence, dishonesty, fraud, sexual misconduct, breach of trust, theft, damaging or endangering life/property, moral turpitude, delinquency of a minor, illegal/controlled substances, alcohol, firearms, or any other offense that could negatively impact the integrity or reputation of Harris Teeter. For the purposes of this policy, the term "conviction" includes: 1) a determination of guilt by a court of law, sitting with or without a jury; and 2) a guilty plea or any plea where the individual agrees that judgment shall be entered against him or her, such as a plea of *nolo contendere*, no contest, or a prayer for judgment.

It is not required to report minor traffic violations unless the violation is alcohol or drug-related.

**The notice must be in the form of a copy of a government-issued document describing the alleged incident (i.e. police report, charging document, ticket, or conviction report) and must be delivered to the Manager-on-Duty within five (5) calendar days of the charge, arrest, ticket, or conviction.**

Failure to properly notify a member of management may subject the associate to disciplinary action up and including immediate discharge. Specified members of management for notification include:

- For Retail Store Associates - Store Director / Manager, Co / Asst Manager, CAO Inventory Manager, Regional Vice President, District Manager
- Distribution and Hunter Farms Associates - Facility Director or Manager;
- Corporate Office Associates - Their Director or Vice President
- Associates can also choose to notify their Associate Relations Specialist / Manager; the Vice President of Associate Relations & Administration; or Sr. Vice President of Human Resources

Associates should understand that the mere reporting of a charge, arrest, ticket, or conviction will not necessarily result in disciplinary action. Further, if the incident initially reported does not result in a conviction, Harris Teeter may remove any disciplinary action from the associate's file, if appropriate under the circumstances. Each situation will be evaluated on a case by case basis. Management will take into consideration the nature and severity of the offense involved, the facts as understood by management including any explanation of the incident as provided by the associate, the nature of the associate's job, when the incident occurred, and the level of action reported (i.e. arrest, charge, ticket, or conviction) before considering any adverse employment action.

## **Tobacco Products**

In keeping with Harris Teeter's intent to provide a safe and healthful work environment, the use of tobacco products is **prohibited** while working and while on the sales floor. Smoking by associates is **prohibited** in all areas inside the retail store. Smoking areas are clearly designated where smoking is allowed, and associates are asked to respect these designations. Smoking by associates is **prohibited** in all company property outside the retail store including the store's sidewalk, porch, parking lot and sitting areas. Using E-cigarettes is considered smoking.

## Sale of Tobacco and Alcohol

The following guidelines must be adhered to by all associates in the store involved in the sale of alcohol and or tobacco products. Examples of alcohol products are wine, beer (domestic and imported), ale, wine coolers and frozen alcoholic products. Examples of tobacco products are cigarettes, cigars, smokeless tobacco, chewing tobacco and snuff.

- Alcohol products may not be sold to, possessed by, served to, or consumed by persons less than 21 years of age.
- Consumption and/or tasting of alcoholic beverages is **prohibited** at all times on company property, including parking lots, where Harris Teeter has an off-premise permit to sell alcohol.
- Alcohol products may not be sold or served to any person who either is intoxicated or who appears to be intoxicated.
- Tobacco products may not be sold to persons less than 18 years of age.

**Any customer who does not appear to be 30 years of age or older must be asked for identification by a cashier. If you ask for an ID, YOU MUST KEY THE DATE OF BIRTH INTO THE CASH REGISTER SYSTEM.**

The following are the only forms of identification that are acceptable: a driver's license with photo from any state; a US Military ID; a special state issued ID card (ONLY from the state in which the store is located); an official passport issued by any nation. **Any other forms of ID should be brought to the manager-on-duty's attention**

Before being allowed to ring up a sale of alcohol or tobacco products, a cashier must view the "*Harris Teeter Alcohol/Tobacco Training*" program and successfully pass the written test, with a score of 100. A cashier must also read and successfully pass the alcohol sales portion of the "*cashier training*" and sign the alcohol/tobacco purchases agreement, which will become part of their store file.

Any associate who is cited by federal, state or local law enforcement authorities for selling alcohol or tobacco products to an underage person, may not be allowed to perform the duties of a cashier pending the disposition of their trial. This includes any associate who is cited for aiding or abetting the sale of alcohol or tobacco products to an underage person.

One or more of the following actions will take place:

- The associate may be suspended without pay pending the disposition of their trial.
- If the associate, in the opinion of management, has otherwise satisfactorily performed the duties of their job, management can offer the associate the opportunity to perform another available job pending the disposition of their trial.
- Associates transferred into another job are not guaranteed the same rate of pay, hours worked, benefits status, or other conditions of employment.
- If the associate is found guilty in a court of law, the associate may be subject to immediate termination of employment. If the associate is found not guilty, or the charges are dismissed or reduced, the associate may be eligible for reinstatement without back pay.
- Associates who are assessed any fines or court fees are solely responsible for payment of those fines.
- Any associate, who is found by any company official or during a company investigation to have violated any laws or procedures pertaining to the sale of alcohol or tobacco products, could receive a written reprimand and may be subject to immediate termination depending on the facts of each case.

If an associate is cited for sale of alcohol or tobacco products to an underage person, management must immediately notify their Loss Prevention Specialist, Associate Relations Specialists, or District Manager.

## Weapons

Weapons of any type are prohibited on Company premises. Associates are prohibited from bringing any object onto Company property for the apparent purpose of injuring or intimidating others at any time. These prohibited objects include but are not limited to: all types of firearms; switchblade knives and knives with a blade longer than four inches; dangerous chemicals; explosives including blasting caps; and chains.

## Damage To Associates' Vehicles

Retail store associates' vehicles will be protected from shopping cart damage that occurs while working their scheduled time at their particular location, and only under the following conditions:

### **ASSOCIATES WILL BE REIMBURSED (IN PART) FOR DAMAGE TO THEIR VEHICLES IF:**

- The incident is reported the same day; and
- The vehicle was parked in the designated parking area when damaged; and
- HT can substantiate that the damage was **caused by a shopping cart** (e.g., take pictures of damage); and
- Store management performs an investigation.

### **ASSOCIATES WILL NOT BE PAID FOR DAMAGE TO THEIR VEHICLES IF:**

- The vehicle was not parked in the designated parking area when damaged; or
- The damage is not reported same day; or
- The damage is due to known vandalism; or
- HT cannot substantiate that the damage was caused by a shopping cart.

Harris Teeter does not pay for theft of, or vandalism to, associates' vehicles. This type of coverage is available when choosing a personal insurance policy package. Harris Teeter cannot be responsible for damage done to associates' vehicles by a third party (whether malicious or accidental).

For additional information, please refer to the *Associate Shopping Cart Damage policy (P-65)* on HT's Intranet Policy & Procedure Manual.

## Dating Relationships

There is no general prohibition against dating among associates. However, Harris Teeter has established some restrictions to avoid the perception or occurrence of unfair advantage, as well as actual bias, and to minimize potential disruptions to associate productivity and morale.

An associate may not supervise or otherwise influence the employment relationship of an associate with whom he or she is romantically, physically, intimately or sexually involved. Before any associate engages in such a relationship of any nature with an associate who currently reports either directly or indirectly to them, one of these associates is required to contact a manager or Associate Relations to discuss available options. An available option includes, but is not limited to, transferring into another position, facility, or other organizational unit where the reporting relationship is severed.

Failure to comply with this policy may lead to disciplinary action, up to and including the management associate's immediate termination of employment. For additional information, please refer to the *Company's Fraternization / Dating Relationship Policy (P-41)* on HT's Intranet Policy & Procedure Manual.

## Hiring of Relatives

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and associate morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships.

Relatives of persons currently employed by Harris Teeter may be hired only if they will **not be** working directly for or supervising a relative. This policy applies to any relative, higher or lower in the organization, who has the authority to review employment decisions. Harris Teeter associates may not be transferred into such a reporting relationship. If the relative relationship is established after employment, the Company reserves the right to decide which associate will be requested to transfer. In other cases where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or terminated from employment.

For additional information, please refer to the Company's *Employment of Relatives* policy (P-36) on HT's Intranet Policy & Procedure Manual.

## Solicitation and Distribution of Literature

### SOLICITATION

- Harris Teeter respects the right of its associates to express and share their beliefs, ideas and opinions among each other. Such communications, however, should never interfere with our efforts to serve our customers. Accordingly, solicitation by associates on the sales floor is prohibited at all times when the store is open for business, and is prohibited by associates on other parts of the store or company property while the associate soliciting or the associate being solicited is on work time.
- Work time is the time associates are expected to be performing their job duties; it does not include break periods, lunch periods or time before and after work time.

### DISTRIBUTION OF LITERATURE

- Because of the cost implications of keeping our properties clean and presenting an acceptable image to our customers, and for safety reasons, distribution of literature by associates on company property in work areas is prohibited at all times.
- Associates may distribute material only in non-work areas and only during their non-work time.
- For the purposes of this rule, work area is defined as including the sales floor of the store as well as other areas of Company property where work duties are normally performed.

### BULLETIN BOARDS

- The posting of written solicitations on company/associate bulletin boards is prohibited. Bulletin boards are reserved for official organization communications on such items as: internal memoranda; benefits information; job openings; required posters; workers' compensation insurance information; state disability insurance/unemployment insurance information.

For additional information, please refer to the Company's *Solicitation and Distribution of Literature* policies (P-10) on HT's Intranet Policy & Procedure Manual.

## Employment of Minors

Associates under the age of eighteen (18) are not allowed to:

- Work during school hours unless the minor has completed high school, obtained a GED, has officially withdrawn from the school system, or is enrolled in and is working in conjunction with a vocational education program.
- Work in the Meat or Fresh Foods (Deli/Bakery) departments.
- Operate or assist to operate, clean, oil, set up, adjust, or repair power-driven meat processing equipment including meat slicers, meat grinders, meat saws, and patty forming machines - even when used to process materials other than meats, such as vegetables or cheese.
- Operate or assist to operate, clean, oil, set up, adjust, or repair power-driven bakery machines such as bread slicers, horizontal or vertical dough mixers, dough sheeters/rollers, and combination bread slicing and wrapping machines.
- **Load, unload, operate or place materials in balers or trash compactors.**
- Operate **power-driven** hoists, including forklifts, pallet jacks, and straddle stackers.
- Operate a motor vehicle on public roadways to transport or deliver product to customers or other stores.

The prohibitions set forth in this policy are a matter of state and federal law. The individuals who violate these prohibitions or supervisors who allow violations of these prohibitions are subject to disciplinary actions. For additional information regarding additional state regulations, please refer to the Company's *Employment of Minors* policy (P-20) on HT's Intranet Policy & Procedure Manual.

## Government Investigations and Inspections

Any federal, state, or local government investigators or inspectors who arrive on company property should be immediately directed to the manager-on-duty.

## Personal Appearance Guidelines

Dress, grooming, and personal cleanliness standards contribute to the morale of all associates and affect the business image Harris Teeter presents to customers and visitors. During business hours, associates are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Associates who appear for work inappropriately dressed may be sent home and directed to return to work in proper attire. Under such circumstances, associates will not be compensated for the time away from work.

**Earrings, Body Piercing, & Rings** Earrings - No more than two (2) earrings per ear. Hoop-type earrings are not permitted and earrings may not extend lower than two (2) inches from the bottom of the ear lobe. Other Body Piercing - Other visible (while on-duty) body piercing is **prohibited**. This includes, but is not limited to, tongue, nose, eyebrow, cheek, hands, and fingernails.

Rings - Associates working in food preparation areas may not wear more than one (1) ring per hand. Other associates may not wear more than two (2) rings per hand.

**Facial Hair** Mustaches, goatees, and beards are allowed provided they are neat, trimmed and groomed. Beards and goatees must be shorter than two (2) inches in length. Mustaches may not extend beyond the associate's top lip and may not cover the associate's mouth. All associates who have a beard or goatee must wear Beard snoods (nets) in food preparation areas.

**Fingernails** Associates working in food preparation areas are **prohibited** from wearing false fingernails and/or fingernail polish. Their fingernails must not extend beyond the tips of their fingers. They must keep their fingernails trimmed, filed, and maintained so the edges and surfaces are cleanable and not rough.

Associates who are not working in food preparation areas are permitted to wear false fingernails and/or fingernail polish. However, their fingernails may not extend more than one-half inch beyond the tips of their fingers. They must keep their fingernails trimmed, filed, and maintained so the edges and surfaces are cleanable and not rough. Nail polish must be smooth and cannot be flaking.

**Hair.** Hair must be neat, clean, moderately styled, and conservative in color. Long hair must be pulled away from the face and securely fastened. All associates must wear hairnets while in food preparation areas.

**Makeup & Fragrances** Makeup must be conservative and not excessive. Emphasis must be on a natural appearance. Fragrances (or body odor) which may be considered over-powering and/or offensive are **prohibited**.

**Tattoos.** Tattoos which may be considered offensive may not be visible (while in official HT uniform) to our customers.

**Discretion.** Management has sole discretion in determining whether or not associates are in compliance with this policy. Items not specifically addressed by this policy will be addressed by management on a case-by-case basis.

If you have any requests for accommodation to this dress code policy based on religious reasons, please submit your request in writing to a supervisor. A form is available on the Intranet. Accommodations for good faith requests, supported by appropriate documentation, will be granted unless such an accommodation would create an undue hardship for the Company.

Consult your immediate supervisor or manager if you have questions as to what constitutes appropriate attire. For additional information, please refer to the Company's *Dresscode* policies (P-33 retail) or (P-54 corporate office) on HT's Intranet Policy & Procedure Manual.

## **Purchases by Associates**

All associates are invited and encouraged to shop for grocery products for themselves and their families in the store in which they work. For the benefit of all concerned, the following procedures must be observed by all associates in making personal purchases. These procedures reduce misunderstandings and help to ensure that the Company has been properly paid for all merchandise.

1. Associates are not allowed to ring up their own purchases except with the self-checkout register system as noted below in #5 and #12. **However, associates are not allowed to ring up their own prescriptions at any time using any register system.**
2. Associates are not allowed to ring up purchases for their immediate family members. This prohibition includes all register systems regardless of location in store, including the pharmacy department, customer service desk, lane registers, and self-checkout registers.
3. A self-checkout register operator is not allowed to oversee the ring up of self-checkout purchases for his or her immediate family members.
4. Associate purchases intended to be consumed on Company premises must be paid for and immediately taken to an authorized area. The sales receipt for each and every purchase must accompany the product any time the product is on Company property. The receipt must be either in the possession of the associate who purchased the product, or affixed to the product, or in plain view in the near proximity of the product, such as on a table next to the product.

5. Associates are allowed to ring up their own purchases only when using a self-checkout register system. **When an associate is shopping in the same store in which they work, the sales receipt for their purchases must be signed off by either the self-checkout cashier or a supervisor.**
6. Associates are required to make full payment for their purchases at the time of purchase. Under no circumstances are associates allowed to send money to a register for a future purchase which would be consumed or removed from the premises at some later time.
7. Associates are required to make full payment for ALL purchases prior to the consumption, use, or removal of merchandise.
8. Some stores have food service departments that allow customers to pay for their purchases after consumption. In order to be clear and consistent in this matter, associates are always required to pay for their purchases before consumption during their working time, including break and meal periods.
9. The only associate purchases that may occur during times that the store is closed are purchases for product that will be consumed on premises. In non-24 hour stores:
  - All purchases made after the last cashier leaves must be checked out by the associate designated by management. Only product which is to be consumed on the premises during the shift can be checked out in this manner.
  - Associates must keep their receipt for any purchases made until the end of their work shift or the product is consumed, whichever time is longer.
10. All associate purchases must be at regular retail prices, except those items that have been reduced in price in accordance with standard Company procedures and which are available to the general public. Merchandise cannot be made unavailable to the general public so that it can be purchased by associates in the future at a reduced price.
11. When presenting coupons, associates must strictly follow Harris Teeter's Coupon Acceptance Policy. Associates are not allowed to override the policy for their personal purchases or for purchases by their immediate family members.
12. Associates may order, select, and make purchases only when they are either off-duty or during their break and/or meal periods. Associates are prohibited from conducting personal shopping during working time. **Associates are prohibited from shopping, or ringing up, or loading their personal Express Lane (home shop) order.**
13. Items purchased by associates that are not intended to be immediately consumed or removed from the premises must be placed in a bag. The bag must be closed with the appropriate register tape attached prior to being placed in a storage area which has been approved by management.
14. All purchases or associate parcels, such as shopping bags, boxes, and backpacks, are subject to inspection by management at any time while on Company premises.
15. When an associate leaves Company premises during or after work hours, the associate's parcels, such as shopping bags, boxes, and backpacks, are subject to inspection by management prior to their removal from the Company premises.
16. Off-duty associates who wish to make purchases will be treated as any other customer and are subject to all applicable requirements, including check cashing cards, identification, age requirements for alcohol or tobacco purchase.

For additional information, please refer to the Company's *Workplace Rules & Regulations* policy (RO-2) on HT's Intranet Policy & Procedure Manual.

## Contests, Games, Coupons, and Other Shopping Continuity Programs

When our customers spend money at Harris Teeter, they may be offered coupons, game pieces, merchandise, premiums, and/or other instruments of value. Any such instrument which is abandoned, returned or refused by the customer for whom it was intended remains the property of Harris Teeter and must be handled according to the specific rules of that reward program.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where you find it difficult to determine the proper course of action, the matter should be immediately discussed with management. Disregarding or failing to comply with this standard may lead to disciplinary action, up to and including immediate termination of employment.

## Job Posting

Harris Teeter provides associates an opportunity to indicate their interest in open positions and advancement within the organization according to their skills and experience. In general, notices of all full-time job openings are posted, although Harris Teeter reserves its discretionary right not to post a particular opening.

Job openings may be posted on the Harris Teeter Intranet  and typically remain open for seven (7) days. Each job posting notice will generally include the job title, department, location, job summary, and qualifications (required skills and abilities).

To be eligible to apply for a posted job (lateral position), full-time associates must have performed satisfactorily for at least six (6) months in their current position. To apply for an open position, associates should follow the instructions on the job posting notification.

Harris Teeter recognizes the benefit of developmental experiences and encourages associates to talk with their supervisors about their career plans. Supervisors are encouraged to support associates' efforts to gain experience and advance within the organization. Job posting is a way to inform associates of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.

For additional information, please refer to the Company's *Job Posting* policy (P-56) on HT's Intranet Policy & Procedure Manual.

## Expense Reports

Associates will be reimbursed for any personal mileage and paid for travel time when they are asked to drive their personal vehicle to another store, distribution center, or other facility for product, training, etc.

**Mileage reimbursement compensates associates not only for gas, but also the insurance for and the normal wear and tear of their personal vehicle. Harris Teeter does not pay for damage to personal vehicles, even if the damage occurs while conducting company business. The associate's personal vehicle insurance is the primary coverage for such events.**

Associates are responsible for tracking any mileage authorized for company business and submitting expense reports to their Manager. Expense reports can be obtained from your Manager.

## **Lost & Found**

On occasion you or another associate may find something in the store that someone [a customer, a vendor, a visitor, another associate] has accidentally left behind. The item may be a checkbook, credit card, money, CoinStar coupon, jewelry, cell phone, umbrella, clothing, etc...

Regardless of **what** is found or **who** finds it, **YOU** are required to ensure that the item is immediately turned into the Customer Service Desk or that the manager-on-duty is notified. The item will be logged on a "Lost and Found Tracking Log" form, be stored in a secure place, and hopefully will be returned to its rightful owner.

Failure to follow this procedure, including failure to report another individual who is not following this procedure, is considered to be an example of dishonesty that may lead to the immediate termination of your employment.

## **Visitors in the Workplace**

Because of customer service, productivity, safety and security concerns, family and friends of associates are discouraged from visiting associates while at work. Of course, the general public is welcome to shop in our stores during normal business hours.

## **Workplace Rules & Regulations**

To remain a successful Company, all Harris Teeter associates must be customer-focused, ethical, honest, industrious, and safety-focused. The Company has established training programs on how best to complete your job duties, and this policy provides examples of prohibited activities concerning your Harris Teeter employment.

It is not practical to list every type of activity that will result in disciplinary action. However, examples of many types of infractions that will result in disciplinary action are listed below by group. These lists are not exhaustive and other types of conduct may also be deemed unacceptable by the Company and result in disciplinary action. Company management has sole discretion to determine whether an associate has violated these rules and to decide any appropriate disciplinary action.

Disciplinary action may be based on violation(s) of these rules, as well as prior violations, job performance, attendance problems, and any other factors that the Company deems relevant. This policy in no way requires the Company to follow any particular disciplinary procedure.

When the term "working time" is used in the following Group I & II list of infractions, "working time" means the time that associates are supposed to be performing their job duties and thus does not include meal and break periods.

## **GROUP I**

An associate who commits a Group I infraction may be subject to immediate termination of employment without any prior warning. Group I infractions include:

1. Providing poor customer service; ignoring customers; being rude, discourteous, disrespectful or unpleasant to a customer or any member of the public while in the course and scope of company business.
2. Engaging in any form of threats, discrimination, or harassment towards associates, customers, or vendors based on race, color, religion, gender, sex (including pregnancy), national origin, age, disability, genetic information, military or veteran status, sexual orientation, gender identity or expression, marital status or family responsibilities, or any other status protected by law; retaliating against individuals who report or who assist in investigating claims of threats, discrimination or harassment.
3. Working off-the-clock; asking/allowing a subordinate associate to work off-the-clock; failing to inform a supervisor or Associate Relations once having knowledge that another associate has worked off-the-clock.
4. Deliberately recording false information regarding any associate's work time into a Time & Attendance system or other time record; recording any information on another associate's time record without proper authorization; failing to inform a supervisor or Associate Relations once having knowledge that another associate has recorded false information into a Time & Attendance system or other time record.
5. Reporting to work under the influence of illegal drugs; possession, transportation, distribution, sale, or use of any illegal drug in any form while on-duty or while on Company property; conviction of any illegal drug-related criminal offense while employed by the Company; misusing any legal drugs, including but not limited to taking prescription drugs without a valid prescription or distributing prescription drugs to another person without a valid prescription; reporting to work under the influence of legal drugs that impair your ability to perform job duties without first reporting the legal drug use to management.
6. Failing to abide by the Company's established policies regarding substance abuse testing, including but not limited to: testing positive for controlled substances; failing to provide a valid sample upon management's request as permitted by applicable laws; admitting to recent use of illegal drugs; tampering with a substance abuse test sample.
7. Drinking any type of alcoholic beverage while on-duty; reporting to work under the influence of alcohol; reporting to work with the smell of alcohol on your breath.

8. Dishonesty of any kind. Examples include but are not limited to: knowingly making false statements; falsifying any company report, document, or record; consuming merchandise without purchasing it first; sliding and/or improperly discounting merchandise; removing any product and/or materials from Company facilities without proper management approval; improperly concealing merchandise; failing to inform management once having knowledge that other associates have removed product and/or material from Company facilities without proper management approval.
9. Insubordination: refusal to perform the reasonable requests of management while in the course and scope of company business; failure to complete assigned job duties without informing management.
10. Being, threatening, intimidating, or engaging in acts of aggression and/or violence or making inappropriate gestures (including visual staring) towards associates, customers, or vendors during working time or while on Company property.
11. Engaging in acts of aggression or violence against associates while off-duty or through social media, including but not limited to actions that, while they may be intended to be a joke, hoax, or prank, are related to the health, safety, and well-being of people, products, facilities, or equipment; Possessing inappropriate and/or obscene materials while on-duty or while on Company property that may create a hostile working environment on the basis of race, color, religion, gender, sex (including pregnancy), national origin, age, disability, genetic information, military or veteran status, sexual orientation, gender identity or expression, marital status or family responsibilities, or any other status protected by law or Company policy.
12. Participating in an unlawful sale or transfer of alcohol or tobacco products.
13. Deliberately causing damage to people, product, facilities, or equipment; acting in any careless or unsafe manner that causes injury to people, product, facilities, or equipment.
14. Bringing any object onto Company property for the apparent purpose of injuring or intimidating others. Such objects include but are not limited to: all types of firearms; switchblade knives and knives with a blade longer than four inches; dangerous chemicals; explosives including blasting caps; and chains. Knives used to perform the duties of an associate's job are not included on this list, but such items may not be used in an act or threat of aggression or violence.

15. Engaging in illegal conduct, on-duty or off-duty that may reflect poorly on the reputation of the Company. This includes but is not limited to convictions of any criminal offenses related to or concerning violence, dishonesty, fraud, sexual misconduct, breach of trust, theft, damaging or endangering life and/or property, moral turpitude, delinquency of a minor, illegal/controlled substances, alcohol, firearms, or any other offense that could negatively impact the integrity and reputation of Harris Teeter. For the purposes of this policy, the term "conviction" includes: a) a determination of guilt by a court of law, sitting with or without a jury; and b) a guilty plea or any plea where the individual agrees that judgment shall be entered against him or her, such as a plea of nolo contendere, no contest, or a prayer for judgment.
16. Failing to notify management within five (5) calendar days in writing in the form of a government-issued document describing the alleged incident if an associate is charged with, arrested for, ticketed for, or convicted of any criminal offenses related to or concerning violence, dishonesty, fraud, sexual misconduct, breach of trust, theft, damaging or endangering life and/or property, moral turpitude, delinquency of a minor, illegal/controlled substances, alcohol, firearms, or any other offense that could negatively impact the integrity and reputation of Harris Teeter.
17. Violating any Company policy, process, or standard concerning cash, checks, expense reports, gift cards, money orders, coupons, EBT cards, credit cards, debit cards, VIC cards, charge accounts, postage stamps, discounts, or any other form of payment.
18. Unauthorized possession or disclosure of "business secrets" or other confidential information that relates to operating processes, confidential financial data, marketing plans, pricing models, business partners, vendors, or customers (such as names, home addresses, debit/credit card information, and telephone numbers) or other non-public proprietary company information.
19. Intentionally causing product degradation or failing to follow established food safety practices.

## **GROUP II**

An associate who commits a Group II infraction may be subject to disciplinary action up to and including immediate termination, depending on the facts of each case. Flagrant or recurring infractions will be cause for the associate's immediate termination. Group II infractions include:

1. Making derogatory statements, such as insults, slurs, jokes, and other inappropriate comments, while on-duty, while on Company property or via social media at any time regarding an individual's race, color, religion, gender, sex (including pregnancy), national origin, age, disability, genetic information, military or veteran status, sexual orientation, gender identity or expression, marital status or family responsibilities, or any other status protected by law or Company policy.
2. Failing to work in a cooperative manner with management, supervision, fellow associates, customers, and vendors in the performance of your job.
3. Failing to abide by established food safety practices concerning personal hygiene, food temperature, cross contamination, hand washing, product rotation, product dating, and proper use of chemicals.
4. Engaging in the following activities while on-duty or while on Company property: horseplay; sleeping; loafing; unreasonably delaying the completion of assigned tasks; interfering with or disturbing the job performance of fellow associates or vendors; conducting personal business during your working time or with other associates and vendors during their working time.
5. Violating established safety procedures or practices; failing to wear or use required personal protective equipment; failing to report accidents or damage to product, equipment, or property to management; operating equipment without proper authorization or training; failing to report unsafe situations to management.
6. Excessive absenteeism or tardiness or a pattern of absenteeism or tardiness; failing to properly inform a supervisor at least two (2) hours in advance of an associate's shift when an associate knows he or she will be tardy or absent from work.
7. Taking breaks and/or lunches for a longer time period than authorized by management; taking a meal period of less than thirty (30) consecutive minutes unless directed to do so by management; loitering in restrooms, break rooms or other areas during working time.
8. Failing to report for an assigned schedule; leaving work early without a supervisor's permission.
9. Being negligent in or exercising a lack of judgment while carrying out assigned job duties.
10. Being employed by a retail grocery competitor during the course of your employment with Harris Teeter.
11. Engaging in any form of illegal gambling during working time or while on Company property.
12. Eating, drinking, and/or using tobacco (including e-cigarettes) in unauthorized areas during working time or while on Company property.
13. Violating the Company's policies concerning solicitation and distribution of literature during working time or while on Company property.

14. Violating established laws pertaining to the operation of a vehicle on federal, state, or local highways during working time or while in a Company-owned, leased, or rented vehicle.
15. Failing to abide by the appropriate dress code for your work location.
16. Using cell phones, smart phones, tablets, computers, music players, or televisions for personal use during working time and in work areas that are not required in the performance of normal job duties, unless such use is authorized by management.
17. Videotaping and/or picture taking of store conditions or recording conversations for the purposes of divulging business operations, proprietary information or trade secrets to a competitor.
18. Failing to provide associates with required training programs within established time periods.
19. Making maliciously false statements meant to harm the reputation of associates, customers, vendors or other persons while on-duty, on Company property, or anytime through social media that could disrupt the work environment.
20. Failing to abide by any established Company policy, standard, expectation, or procedure.

For additional information, please refer to the Company's *Workplace Rules & Regulations* policy (RO-2) on HT's Intranet Policy & Procedure Manual.

## **Workplace Violence Prevention.**

This policy serves to inform our associates that employment-related acts of aggression and/or violence of any kind are unacceptable and will not be tolerated. This policy further serves to instruct our associates how to report an employment-related act of aggression and/or violence.

This policy also serves to outline management's response to any reported or observed employment-related act of aggression and/or violence.

This policy also serves to inform associates that any form of retaliation against an individual who, in good faith, has complained about an employment-related act of aggression and/or violence is strictly prohibited.

### **POLICY**

#### **DEFINITIONS:**

Acts of aggression include verbal or physical actions that are intended to create fear or apprehension of bodily harm or death.

Acts of violence include intentional physical or verbal attacks that cause injury to an individual or physical attacks on an individual's property.

#### **PROHIBITED BEHAVIOR**

Threats, threatening behavior, acts of aggression or acts of violence against associates, customers, vendors, or other individuals while on-duty or while on Harris Teeter property are prohibited.

Threats, threatening behavior, acts of aggression or acts of violence against associates while off-duty are also prohibited.

Any form of retaliation against an individual who has, in good faith, reported an employment-related act of aggression and/or violence is strictly prohibited. However, individuals should not make a report that they know is untrue.

Making false reports is a sort of misconduct that can seriously impair Harris Teeter's ability to administer this policy.

#### **HOW TO REPORT AN ACT OF AGGRESSION OR VIOLENCE**

All associates must notify their supervisor of an act of aggression and/or violence to which they have witnessed or received. If an associate regards an action by another individual as being actually and/or potentially threatening or violent, they must immediately report this to their immediate supervisor.

If an associate does not feel comfortable reporting an act of aggression and/or violence to their immediate supervisor, the associate must immediately contact their facility manager-on-duty, the VP of Associate Relations & Administration at (704) 844-3551, the Sr. Director of Asset Protection at (704) 844-3493, or the ASSOCIATE TIPLINE at <https://harristeeter.alertline.com> or at (866) 667-4323. The ASSOCIATE HOTLINE is staffed 24 hours a day, 365 days a year.

#### **CONSEQUENCES FOR ACTS OF AGGRESSION AND/OR VIOLENCE**

If an investigation substantiates that violation of this policy has occurred, Harris Teeter will initiate an appropriate response. This response may include, but is not limited to, suspension and/or termination of any business relationship, reassignment of job duties, disciplinary action up to and including termination of employment, and/or legal action against the individual or individuals involved.

**FACILITY MANAGEMENT RESPONSE (APPLIES TO ALL HT FACILITIES)**

If any individual reports an act of aggression and/or violence, facility management is directed to immediately remove the alleged victim from any contact with the individual alleged to have made the act of aggression and/or violence.

If the alleged victim reporting the incident is injured, 911 or local emergency response and the police will be called immediately. Facility management will attempt to comfort and aid the alleged victim until emergency medical personnel arrive.

The individual alleged to have committed act of aggression and/or violence will be informed by facility management that they are required to immediately leave the premises and that the POLICE have been notified. This individual will not be allowed to return to any Harris Teeter property until informed that they may return or until they are requested to return by Harris Teeter management. If this individual is an associate, they will be suspended without pay by facility management pending the outcome of the investigation.

Prior to conducting an investigation, facility management will immediately notify appropriate members of management. If the incident involves retail associates and/or retail facilities, then the Regional Associate Relations Specialist/Manager, Asset Protection Specialist, or District Manager will be notified. If the incident involves Manufacturing, Warehouse or Corporate associates and/or facilities, then the VP of Associate Relations & Administration, appropriate facility Director, or the Sr. Director of Asset Protection will be notified.

If the situation does not warrant police or medical contact, facility management will start a preliminary investigation by obtaining information regarding the incident including witness statements and names.

**DISTRICT / REGIONAL / CORPORATE RESPONSE**

The appropriate Specialist or Director must inform the appropriate Vice President of the situation and will also schedule an interview with the alleged victim, the individual alleged to have committed the act of aggression and/or violence, and other witnesses as they deem appropriate.

The findings of the investigation will be reviewed with the appropriate Vice President. A determination as to appropriate further action will be made.

If no further actions are deemed appropriate, documentation of the investigation will be completed by the investigating associate.

If it is decided that police aid is required then the police will be notified. Once the police are involved, the appropriate regional representative will turn over the investigation and cooperate fully with the authorities. The regional representative will act as the liaison for Harris Teeter with the police unless a decision is made otherwise.

Once a police investigation is begun, the appropriate Vice President. Operations, Asset Protection, and Human Resources will then coordinate an appropriate response with the appropriate Vice President.

The reporting supervisor will be informed of the decision and if necessary will take appropriate disciplinary action on any associate who violates this policy.

**CONFIDENTIALITY**

All reports of employment-related acts of aggression and/or violence will be promptly, thoroughly, and discreetly investigated. At the conclusion of the investigation, Harris Teeter will take appropriate action. To the fullest extent practical Harris Teeter will keep the reports, the investigation of the reports, and the nature of the resolution of the reports confidential.

## APPEAL

Any associate, who does not agree with the resolution of the investigation, must appeal the resolution to the Senior VP of Human Resources. The written appeal must include all concerns and/or disagreements with the Company's resolution and be mailed within two (2) weeks of his or her resolution notification to: Harris Teeter, Inc., Attn.: Senior VP of Human Resources, PO Box 10100, Matthews, NC 28106.

Harris Teeter is eager to assist in the resolution of associate disputes, and will not discipline associates for raising such concerns in good faith. For additional information, please refer to the Company's *Workplace Threats and Violence* policy (P-72) on HT's Intranet Policy & Procedure Manual.

## Termination/Resignation of Employment

Harris Teeter may schedule exit interviews at the time of or shortly after employment ends. The exit interview will afford an opportunity to discuss such issues as associate benefits, benefit conversion privileges, repayment of outstanding debts to Harris Teeter, or return of Harris Teeter-owned property. Suggestions, complaints, and questions can also be voiced.

**When employment ends, salaried associates will not be paid for any remaining granted but not used PDOs [paid days off], unless otherwise provided by applicable state or local law.**

**When employment ends, hourly paid associates will not be paid for any remaining granted but not used vacation, personal, and/or any other paid time off hours, unless otherwise provided by applicable state or local law**

**Associates will receive their final pay for hours actually worked in accordance with the normal payroll process.** Some benefits may be continued at the associate's expense if the associate so chooses. The associate will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

**Resignation of Employment.** Resignation is a voluntary act initiated by the associate to terminate their employment with Harris Teeter. Although advance notice is not required, Harris Teeter requests a two (2) week written resignation notice from all associates.

In some cases, also at the sole discretion of management, associates may not be allowed to work part or any of the resignation notice period. A few examples of such situations include: when the associate is going to work for a competitor; when the facility is overstaffed; when the associate's job performance or exhibited behaviors are unacceptable; or any other situation in which management feels that the best interest of the Company will not be served in allowing the associate to work their notice. In these situations, the associate's termination may be effective immediately once management notifies them.

Associates will only be paid for time actually worked. For purposes of all policies, all incentive programs, and all benefit programs, the termination date shall be the last day actually worked.

## Return of Property

Associates are responsible for all Harris Teeter property (including uniforms paid for by HT), materials, or written information issued to them or in their possession or control. All Harris Teeter property must be returned by associates on or before their last day of work. Where permitted by applicable laws, Harris Teeter may withhold from the associate's check or final paycheck the cost of any items that are not returned when required. Harris Teeter may take all action deemed appropriate to recover or protect its property.

## SAFETY AND HEALTH

### Associate Health Policy

- The diseases caused by the following organisms are considered “reportable diseases”, and must be reported to the local Health Department by an infected individual’s health practitioner:
  - Shiga toxin-producing E. coli (such as E. coli 0157:H7); Hepatitis A; Salmonella Typhi; Nontyphoidal Salmonella; Shigella; Norovirus
- If an individual has one of the above-listed reportable diseases that has been diagnosed by a health practitioner, or has been diagnosed with Salmonella Typhi within the last 90 days, they are required to report this information to their store/facility manager.
- If an individual has been exposed to a reportable disease within the following timeframes, they are required to report this information to their store/facility manager: Shiga toxin-producing E. coli - 3 days; Hepatitis A – 30 days; Salmonella Typhi – 14 days; Shigella – 3 days; Norovirus – 2 days.
- Exposure may occur through any of the following methods:
  - Consuming a food implicated as the cause of a reportable disease;
  - Consuming a food prepared by a person diagnosed with a reportable disease, or a suspected carrier of a reportable disease;
  - Attending or working in a setting where there is a confirmed reportable disease outbreak;
  - Living in the same household with a person who has been diagnosed with a reportable disease;
  - Living in the same household with a person who works or attends a setting where there is a confirmed reportable disease outbreak;
- When an individual notifies their store/facility manager that they have been diagnosed with or exposed to someone with a reportable disease, management will contact the Quality Assurance Department, their Associate Relations Specialist/Manager, and their District Manager [retail stores] or appropriate Vice President and provide the following information:
  - Store/Center number;
  - Type of disease in question;
  - Confirmation of disease in writing from physician;
  - Individual's position and specific duties;
  - Date individual last worked;
  - Food products handled by individual.
- When an individual notifies their store/facility manager that they have been diagnosed with or exposed to someone with a reportable disease, management will make arrangements for the individual to be removed from work immediately. Written confirmation of negative [absence of illness, bacteria, disease, etc.] test results from the individual’s health practitioner will be required before they may start or return to work.
- If an individual is experiencing any of the following symptoms, they are required to report this information to their store/facility manager:
  - Vomiting;
  - Diarrhea;
  - Jaundice;
  - Sore throat with fever; or
  - Infected cut, wound, or lesion.

- Vomiting & Diarrhea: When an individual notifies their store/facility manager that they are experiencing vomiting or diarrhea, management will exclude the individual from working with exposed food, clean equipment, utensils, or unwrapped single-service items. The individual may be reinstated and return to normal duties when symptoms of vomiting or diarrhea have been absent for at least 24 hours; or when the individual provides written confirmation from their health practitioner that the symptoms are noninfectious.
- Jaundice: When an individual notifies their store/facility manager that they are jaundiced, management will exclude the individual from working with exposed food, clean equipment, utensils, or unwrapped single-service items. The individual may be reinstated and return to normal duties when:
  - The individual has been jaundiced for more than 7 calendar days; or
  - The individual has been symptomatic with symptoms other than jaundice for more than 14 calendar days.
- Sore Throat with Fever: When an individual notifies their store/facility manager that they are experiencing sore throat with fever, management will restrict the individual from working with exposed food, clean equipment, utensils, or unwrapped single-service items. The individual may return to normal duties when:
  - The individual has received antibiotic therapy for Streptococcus infection for more than 24 hours;
  - The individual has had at least 1 negative throat specimen culture for Streptococcus infection; or
  - The individual has been determined by a health practitioner to be free of Streptococcus infection.
- Infected Cut, Wound, or Lesion: When an individual notifies their store/facility manager that they have an infected cut, wound or lesion, no documentation from a health practitioner is necessary. However, management must assure that the cut/wound/lesion is properly covered with a bandage and waterproof cover, or a finger cot.
- All information will be kept confidential to protect the privacy of the individual. All health information should be kept in the individual's medical file.
- Applicants for employment must indicate on their POST-OFFER MEDICAL QUESTIONNAIRE if they currently have one of the above-listed reportable diseases that has been diagnosed by a health practitioner; or has been diagnosed with Salmonella within the last 90 days; or has been exposed to one of the following reportable diseases within these timeframes: Shiga toxin-producing E. coli - 3 days; Hepatitis A – 30 days; Salmonella – 14 days; Shigella – 3 days; Norovirus – 2 days.
- Management should obtain the same information and follow the same procedures as listed above. Under no circumstances should an individual work until cleared both by their treating health practitioner and Harris Teeter's Quality Assurance Department.

For additional information, please refer to the Company's *Associate Health* policy (P-79) on HT's Intranet Policy & Procedure Manual.

## **Food Safety**

The Company strives to ensure that the food handling and other practices of Harris Teeter associates create a safe environment for all food products. Accordingly, the failure to abide by this policy will result in disciplinary action, up to and including the immediate termination of employment.

- **DATING AND/OR ROTATION.** All food products are required to be properly dated and rotated as established in the standards manuals. Outdated products are required to be removed from sale. Products shall not be re-dated beyond the original package date.
- **FOOD TEMPERATURE.** Associates are to check the temperature of perishable and frozen product when the product is being delivered and unloaded from refrigerated trucks. All food products must be maintained in the following temperature ranges:
  - Frozen Foods - 0 to 32 degrees Fahrenheit. The general rule is that the product should be “firm to the touch.”
  - Raw meats, seafood, dairy products - 41 degrees Fahrenheit or below.
  - Prepared foods - 41 degrees Fahrenheit or below.
- **CROSS CONTAMINATION.** Raw and ready-to-eat food products must be stored separately. Food-contact surfaces and utensils must be properly washed, rinsed, and sanitized between uses.
- **SANITATION PROCESS.** The proper cycle of wash, rinse, and sanitize must be followed at all times. All chemicals used in the sanitation process must be at the proper concentration.
- **CHEMICAL SAFETY**
  - OSHA laws require that all chemicals used must have Material Safety Data Sheets (MSDS) on each site that they are used. For this reason, it is a violation of policy for retail cleaning products or other unauthorized cleaning products to be used at store level. Only those chemicals that are listed in the order guide are authorized cleaning products.
  - Cleaning chemicals are not to be mixed. Mixing certain products together will produce toxic gases that can cause injury to associates and/or customers.
  - When using chemicals for cleaning, use of the appropriate protective equipment is required (i.e. goggles, rubber gloves, aprons). Chemicals must be used for their original intended purpose only.
- **TRAINING.** All associates are to receive the appropriate food safety training for their position. Store Management is responsible for ensuring that this training is received.
- **PERSONAL HYGIENE**
  - All associates are required to wash their hands after each time they eat, drink, smoke, go to the rest room, touch their face/hair, cough, sneeze, sweep the floor, take out the trash, or compromise the sanitary condition of their hands afforded by frequent washing with anti-bacterial soap.
  - Associates must wash their hands with an anti-bacterial soap upon returning to a food prep area. Remember that our customers do not know where you have been or what you have done. Our customers must have confidence that our facilities and associates are sanitary and that the food available for purchase is safe.

- Associates should remove their smocks and/or aprons when they leave a food preparation and/or sales area to go on break, go to lunch, go to the rest room, or leave the premises for any reason.
- Associates working in food prep areas are required to wear either HT-issued white hairnets or HT-specified hats in accordance with Policy P-33-A Uniform Guidelines. If worn, hairnets must cover all hair.
- Associates with a beard or goatee are required to wear and use a beard snood (guard) in all food prep areas.
- Associates in food prep areas are required to wear disposable gloves when handling cooked or ready-to-eat food products. Associates must wash hands before putting on gloves, and when changing gloves. Gloves must be changed between different activities or tasks (i.e. making sandwiches, mixing salads, cooking vegetables, sweeping, removing trash, etc.). Gloves must be removed and discarded after use.
- Associates shall wear disposable gloves over cut-resistant gloves when preparing or handling ready-to-eat foods. Disposable gloves must be removed and discarded after use. (Reference Policy RO-42)
- Associates who have a cut on their hand or who are wearing a bandage must wear a disposable glove before handling any raw or ready-to-eat food product.
- Unless wearing intact gloves in good repair, associates in food prep areas may not wear fingernail polish or artificial fingernails when working with exposed foods. These associates' fingernails should not extend beyond the tips of their fingers.
- Associates in food prep areas may not wear jewelry on their arms and hands while preparing food, except for a plain ring such as a wedding band. (Reference 2009 FDA Food Code 2-303.11)
- **LIVE ANIMALS.** Except as specified below, live animals are not allowed in our stores, distribution centers, or manufacturing facilities. *Live animals may be allowed in the situations described below only if the contamination of food, ingredients, equipment, utensils, and packaging materials can be prevented.* (Reference: 2009 FDA Food Code, 6-501.115)
  - Service animals *that are controlled by a customer or associate, in areas that are usually open for customers (such as sales areas), and not used for food preparation;*
  - Patrol dogs accompanying police or security officers;
  - *Shellfish or crustacea on ice, under refrigeration, or in display tanks; and*
  - In outdoor dining areas, provided that the animal is physically restrained, and does not pass through any indoor areas of the food establishment.

For additional information, please refer to the Company's *Food Safety* policy (RO-37) on HT's Intranet Policy & Procedure Manual.

## Life-Threatening Illnesses

Associates with life-threatening illness, such as cancer, heart disease, and AIDS, often wish to continue their normal pursuits, including work, to the extent allowed by their condition. Harris Teeter supports these endeavors as long as associates are able to meet acceptable performance and safety standards. As in the case of other disabilities, Harris Teeter will make reasonable accommodations in accordance with all legal requirements, to allow qualified associates with life-threatening illness to perform the essential functions of their jobs unless doing so would create an undue hardship for Harris Teeter.

Health information on individual associates is treated confidentially. Harris Teeter will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other associates have a responsibility to respect and maintain the confidentiality of associate health information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

Associates with questions or concerns about life-threatening illness are encouraged to contact the Vice President of Associate Relations & Administration at the Corporate Office or Harris Teeter's Employee Assistance Program (EAP) for information and referral to appropriate services and resources.

It is the policy of Harris Teeter to use and disclose protected health information (PHI) only in a manner that is consistent with applicable federal, state, and local laws, as well as Harris Teeter policies and the Harris Teeter LLC Notice of Privacy Practices. HIPAA policies can be viewed on the HT Intranet [Standards & Manual web page].

## Safety

To assist in providing a safe and healthy work environment for associates, customers, and visitors, Harris Teeter has established a workplace safety program. This program is a top priority for Harris Teeter. The facility safety coordinator has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all concerned.

Harris Teeter provides information to associates about workplace safety and health issues through regular internal communication channels such as associate meetings, safety talks, bulletin board postings, memos, or other written communications. A corporate safety steering committee has been established to assist in these activities, to facilitate effective communication between associates and management about workplace safety and health issues, and to ensure that periodic training occurs.

**Some of our best safety improvement ideas come from associates.** Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their immediate supervisor or manager, or bring them to the attention of the facility safety improvement team. Each associate is expected to obey safety rules and to exercise caution in all work activities. Associates must report any unsafe condition to their immediate supervisor or the manager-on-duty. All accidents, whether actual or near-miss, regardless of how insignificant they may appear, should be immediately reported to the immediate supervisor or the manager-on-duty. Such reports are necessary to investigate and correct safety issues, comply with laws, and initiate insurance and workers' compensation benefits procedures. Associates who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

## Security Inspections

Harris Teeter wishes to maintain a work environment that is free of illegal drugs, firearms, explosives, or other improper materials. To this end, Harris Teeter prohibits the possession, transfer, sale, or use of all such materials on its premises. The Company also prohibits the possession, transfer, sale, or use of alcohol on its premises, with the exception of the proper sale of alcohol to Harris Teeter customers in accordance with federal, state, and local laws. Harris Teeter requires the cooperation of all associates in administering this policy. Desks, lockers, and other storage devices may be provided for the convenience of associates but remain the sole property of Harris Teeter. Accordingly, any agent or representative of Harris Teeter can inspect these storage devices, as well as any articles found within them, at any time, either with or without prior notice.

Harris Teeter likewise wishes to discourage theft or unauthorized possession of Company property or the property of its associates, visitors, and customers. To facilitate enforcement of this policy, Harris Teeter or its representative may inspect not only desks and lockers but also persons entering and/or leaving the premises and any vehicles, packages or other belongings on Company premises whether owned or leased. Any associate who wishes to avoid inspection of any articles or materials should not bring such items onto Harris Teeter's premises.

## EMPLOYEE BENEFITS

### General Benefits Statement

Eligible associates at Harris Teeter are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, and unemployment insurance) cover all associates in the manner prescribed by law. Benefits eligibility is dependent upon a variety of factors, including your full-time or part-time classification, length of service, and number of hours worked. **The failure of full-time associates to work an average of full-time hours may result in a change to part-time benefit and compensation status.**

All questions of eligibility, coverage, and benefits under these benefit plans are determined in accordance with formal plan documents. Where such plan documents are interpreted by the Company or its agents, such persons are intended to have discretion to interpret plan provisions and to make factual determinations affecting eligibility. The Company reserves the right to change, alter, or terminate all plans and/or change insurance carriers as it sees fit, consistent with applicable law. You should receive a Summary Plan Description of the terms of each benefit plan in which you participate; please contact Harris Teeter's Corporate Office Benefits Department if you have questions.

Harris Teeter offers associates many types of leaves designed to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote Harris Teeter's interest in preserving family integrity.

Associates should contact Harris Teeter's Corporate Office Benefits Department to request forms, obtain information, or ask questions concerning any type of leave of absence. Requests for all types of leave should be made by contacting the Benefits Department at (704) 844-4748, option #4. The associate must submit the completed form to Harris Teeter LLC Corporate Office Benefits Department via mail at PO Box 10100, Matthews, NC 28106 or via fax at (704) 844-6561.

Requests for leave extensions must be made in writing and sent, prior to the end of the leave, to the attention of: Harris Teeter LLC, Attention: Benefits Manager, P.O. Box 10100, Matthews, NC 28106.

### Benefits Continuation - COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives associates and their qualified beneficiaries the opportunity to continue health insurance coverage under a Company health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events include resignation, termination of employment, or death of an associate; a reduction in an associate's hours or a leave of absence; an associate's divorce or legal separation; or a dependent child no longer meeting eligibility requirements..

For additional information regarding your COBRA rights, please contact Harris Teeter's Corporate Office Benefits Department. Requests can be sent in writing to the attention of: Harris Teeter LLC, Attention: Benefits Administrator, PO Box 10100, Matthews, NC 28106.

Also, if you have changed marital status, or if you or your spouse has changed addresses, please notify the Company as soon as this occurs.

## Workers' Compensation Insurance

Harris Teeter is committed to the safety and well-being of our associates. If you have been injured in the course of employment, Harris Teeter wants to do everything possible to facilitate your quick and safe return to work. After any applicable waiting period mandated by state law, the company will pay for all reasonable medical treatment [as defined by state law] and a percentage of your average weekly wage [up to the state maximum] for work-related injuries and/or illnesses under this benefit.

To ensure proper medical care, associates who have an injury or illness arising out of and in the course of employment must promptly report it to his or her immediate supervisor or manager. Even minor work-related injuries and illnesses must be reported. The company may conduct a thorough investigation to ensure other associates do not incur similar injuries or illnesses.

Associates are required to submit to a controlled substances test after they are *involved* in a work-related accident. An associate is "*involved*" if he or she caused the accident or is *injured* in the accident. An associate is "*injured*" if he or she is harmed by an accident arising out of and in the course of employment. Associates will be allowed to return to work pending the results of the test. Refusal to take such a test could result in disqualification for benefits.

Neither Harris Teeter nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during or due to an associate's participation in any off-duty recreational, social, or athletic activity not sponsored by Harris Teeter or due to an associate's intoxication, misconduct or negligence, in accordance with state law.

If an associate has a question regarding workers compensation, they can contact the Benefits Department at (704) 844-4748, option #4.

*Para informacion en espanol, visite [www.ftc.gov/credit](http://www.ftc.gov/credit) o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.*

### **A Summary of Your Rights Under the Fair Credit Reporting Act**

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.ftc.gov/credit](http://www.ftc.gov/credit) or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
  - a person has taken adverse action against you because of information in your credit report;
  - you are the victim of identity theft and place a fraud alert in your file;
  - your file contains inaccurate information as a result of fraud;
  - you are on public assistance;
  - you are unemployed but expect to apply for employment within 60 days.In addition, by September 2005 all consumers will be entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for additional information.
- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.

- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit).
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit [www.ftc.gov/credit](http://www.ftc.gov/credit).

**States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:**

| <b>TYPE OF BUSINESS:</b>  | <b>CONTACT:</b>   |
|---|---|
| Consumer reporting agencies, creditors and others not listed below  | Federal Trade Commission: Consumer Response Center – FCRA<br>Washington, DC 20580<br>1-877-382-4357   |
| National banks, federal branches/agencies of foreign banks (word “National” or initials “N.A.” appear in or after bank’s name)        | Office of the Comptroller of the Currency<br>Compliance Management, Mail Stop 6-6<br>Washington, DC 20219<br>800-613-6743   |
| Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)                           | Federal Reserve Consumer Help (FRCH)<br>P O Box 1200<br>Minneapolis, MN 55480<br>Telephone: 888-851-1920<br>Website Address: <a href="http://www.federalreserveconsumerhelp.gov">www.federalreserveconsumerhelp.gov</a><br>Email Address: ConsumerHelp@FederalReserve.gov |
| Savings associations and federally chartered savings banks (word “Federal” or initials “F.S.B.” appear in federal institution’s name) | Office of Thrift Supervision<br>Consumer Complaints<br>Washington, DC 20552<br>800-842-6929   |
| Federal credit unions (words “Federal Credit Union” appear in institution’s name)   | National Credit Union Administration<br>1775 Duke Street<br>Alexandria, VA 22314<br>703-519-4600  |
| State-chartered banks that are not members of the Federal Reserve System  | Federal Deposit Insurance Corporation<br>Consumer Response Center, 2345 Grand Avenue, Suite 100<br>Kansas City, Missouri 64108-2638<br>1-877-275-3342   |
| Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission                   | Department of Transportation, Office of Financial Management<br>Washington, DC 20590<br>202-366-1306  |
| Activities subject to the Packers and Stockyards Act, 1921  | Department of Agriculture<br>Office of Deputy Administrator - GIPSA<br>Washington, DC 20250<br>202-720-7051   |

# EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FAMILY AND MEDICAL LEAVE ACT

## Basic Leave Entitlement

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

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

## Military Family Leave Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status 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 employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness\*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.\*

**\*The FMLA definitions of "serious injury or illness" for current servicemembers and veterans are distinct from the FMLA definition of "serious health condition".**

## Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees 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 employee's leave.

## Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months\*, and if at least 50 employees are employed by the employer within 75 miles.

**\*Special hours of service eligibility requirements apply to airline flight crew employees.**

## 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 employee from performing the functions of the employee'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 employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical 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

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

## Employee Responsibilities

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

Employees 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 employee 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. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

## Employer Responsibilities

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

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

## 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; and
- 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 employee 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.

**FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulation 29 C.F.R. § 825.300(a) may require additional disclosures.**



For additional information:  
1-866-4US-WAGE (1-866-487-9243) TTY: 1-877-889-5627  
[WWW.WAGEHOUR.DOL.GOV](http://WWW.WAGEHOUR.DOL.GOV)

U.S. Department of Labor | Wage and Hour Division



WHD Publication 1420 · Revised February 2013

# It's about time.



You may think you are a team player by completing work off the clock, but you are not! It is imperative that any and all time spent in benefit for Harris Teeter is done 'on the clock'. It is Harris Teeter's responsibility to compensate hourly associates timely and accurately for all time worked; failure to record all time worked can lead to disciplinary action up to and including your immediate termination of employment.

## Don't...

- Alter, tamper, or misrepresent your time worked either by adding time or shifts, or by failing to accurately record time or shifts worked.
- Record false information regarding another associate's work time into a time keeping system or other Company time record.
- Breach time keeping system password security. This includes, but is not limited to, using another associate's password or allowing other associates to use your password.

## Do...

- Accurately record your own time worked and meal periods.
- Review your own time records and certify the accuracy of all time recorded.
- Contact your Associate Relations Specialist if you have been instructed, encouraged or feel pressured to work off the clock or if you have any questions or concerns.

**Remember, accurate timekeeping  
is your responsibility!**

Refer to Policy RO-8 and P-24 for additional information.