

Mid-South Transportation Management, Inc.
MTM Employee Handbook

Mid-South Transportation Management, Inc.

MTM Employee Handbook

Administrative Employees

Mid-South Transportation Management, Inc.

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MISSION, VISION, AND GOALS

Mid-South Transportation Management, Inc. (MTM) manages and operates under contract for the Memphis Area Transit Authority (MATA). MTM provides employees for MATA. MATA is the public entity that oversees public transportation for the Memphis area.

MISSION STATEMENT

MATA's mission is to provide a reliable, safe, accessible, clean, and customer friendly public transportation system that meets the needs of the community.

MATA VISION

MATA will provide efficient, effective and innovative transit services. We will operate transit services that are logical and practical, and by doing so will attract an increasing number of customers to our services. In addition, MATA services will support regional goals of improving access to places where people live, work, and play; reducing dependence on fossil fuels; improving air quality; and strengthening the area's livability.

MATA GOALS

1. Increase ridership while maintaining service efficiency
2. Operate reliable transportation services
3. Sustain a customer-focused service environment
4. Ensure a safe and clean environment, for both customers and employees

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ORGANIZATIONAL STRUCTURE

The General Manager shall have general superintendence and direction of all the company employees and shall see that their respective duties are performed properly.

For purposes of this employee handbook, "employee" means only those administrative individuals employed by the company. Hereinafter, company shall mean Mid-South Transportation Management Inc. (MTM).

INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with the company and provide you with general information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by the company to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As the company continues to grow, the need may arise and the company reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. Employees will, of course, be notified of such changes to the handbook as they occur.

Your employment with the company is at will and is entered into voluntarily and you are free to resign at any time, for any reason, with or without notice. Similarly, the company is free to conclude the employment relationship at any time. This handbook is presented as a matter of information only, and its contents should not be interpreted as a guarantee of employment or contract between the company and any of its employees.

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EMPLOYEE ACKNOWLEDGEMENT FORM

The employee handbook describes important information about the company, and I understand that I should consult the Human Resources Department regarding any questions not answered in the handbook.

I have entered into my employment relationship with the company voluntarily and acknowledge that there is no specified length of employment. Accordingly, either the company or I can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to the company's policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the President/General Manager of the company has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

EMPLOYEE'S NAME (printed): _____

EMPLOYEE'S SIGNATURE: _____

WITNESS: _____

DATE: _____

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SECTION 1: EMPLOYMENT

1.01 Nature of Employment

Effective Date: 07/01/02

Revision Date: 07/01/14

This handbook is intended to provide employees with a general understanding of the company personnel policies. Employees are encouraged to familiarize themselves with the contents of this handbook, for it will answer many common questions concerning employment with the company.

Policies set forth in this handbook 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 the company and any of its employees. The provisions of the handbook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at the company's sole discretion.

Employment with the company is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, the company 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 or state law.

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1.02 Equal Employment Opportunity

Effective Date: 07/01/02

Revision Date: 07/01/14

Mid-South Transportation Management, Inc. (MTM), serving as a contractor to Memphis Area Transit Authority (MATA), is an equal employment opportunity employer. MTM will ensure Equal Employment Opportunity (EEO) compliance through its system of personnel recruitment, selection, promotions, terminations, transfers, layoffs, compensation, training, benefits, labor union negotiations, and other activities associated with the terms and conditions of employment. Specifically:

- MTM is committed to equal employment opportunities for all persons, regardless of race, color, creed, national origin, sex, age or any other status protected by state or federal law.
- MTM is committed to undertake an affirmative action program, including goals and timetables, in order to overcome the effects of past discrimination of minorities and women.
- MTM's Equal Employment Opportunity (EEO) Officer is responsible for implementing its Equal Employment Opportunity and Affirmative Action Programs. The EEO Officer will report to the General Manager on the effectiveness of MTM's Affirmative Action program and any needs for remedial action. All Human Resources related complaints will be reported to and investigated by the General Manager to avoid a conflict of interest.
- All management personnel share in this responsibility and will be assigned specific tasks to assure compliance is achieved.
- Applicants and employees have the right to file complaints alleging discrimination with the EEO Officer, and/or General Manager Mid-South Transportation Management, Inc. 1370 Levee Memphis, TN 38108 (901) 722-7100.
- Performance by managers, supervisors, etc., will be evaluated on the success of the EEO program the same way as their performance on other MTM goals.

Successful achievement of EEO goals will provide benefits to MTM through fuller utilization and development of previously underutilized human resources.

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1.03 Business Ethics and Conduct

Effective Date: 07/01/02

Revision Date: 07/01/14

The successful business operation and reputation of the company is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

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

The company will comply with all applicable laws and regulations and expects its department heads, officers, and employees 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 the Human Resources Department for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every company employee. 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.

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1.04 Hiring of Relatives

Effective Date: 07/01/02

Revision Date: 07/01/14

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

1. For purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.
2. Relatives of current employees may not occupy a position that will be working directly for or supervising their relative. MTM also reserves the right to take prompt action if an actual or potential conflict of interest arises involving relatives or individuals involved in a dating relationship who occupy positions at any level (higher or lower) in the same line of authority that may affect the review of employment decisions.
3. If a relative relationship is established after employment between employees who are in a reporting situation described above, it is the responsibility and obligation of the supervisor involved in the relationship to disclose the existence of the relationship to management. The individuals concerned will be given the opportunity to decide who is to be transferred to another available position. If that decision is not made within 30 calendar days, management will decide who is to be transferred or, if necessary, terminated from employment.
4. In other cases where a conflict or the potential for conflict arises because of the relationship between employees, even if there is no line of authority or reporting involved, management should take action and the employees may be separated by reassignment or terminated from employment.

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1.05 Conflicts of Interest

Effective Date: 07/01/02

Revision Date: 07/01/14

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which the company wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation.

1. Transactions with outside firms must be conducted within a framework established and controlled by the executive level of the company and in compliance with procurement guidelines. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee, or both.
2. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of the company'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 employee is similar to that of persons who are related by blood or marriage.
3. Any financial interest as an owner, partner, joint venture participant or stockholder greater than 1% shall be consider a conflict in potential violation of this policy. No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the General Manager of the company as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.
4. Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which the company does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving the company.
5. Contact the Human Resources Department or your Department Head for more information or questions about conflict of interest.

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1.06 Outside Employment

Effective Date: 07/01/02

Revision Date: 07/01/14

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with the company. All employees will be judged by the same performance standards and will be subject to the company's scheduling demands, regardless of any existing outside work requirements.

If the company determines that an employee's outside work interferes with performance or the ability to meet the requirements of the company as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with the company. Outside employment will present a conflict if it has an adverse impact on the company.

Employees are obligated to notify their Department Head in writing of outside employment so that it is documented in the employee's personnel file. The Department Head will forward this documentation of the Human Resources Department.

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1.07 Job Assignments/Transfers

Effective Date: 07/01/02

Revision Date: 07/01/14

The company provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, notices of all job openings are posted, although the company reserves its discretionary right to appoint a position or post a job internally, externally or both. The General Manager may deem it in the best interest of the organization to appoint an individual to a position rather than post the job.

Subsequent to initial job position placement, changes in permanent job assignments occur as a result of transfer. A transfer is the movement from one job position to another job position and may be classified as a promotion, demotion or lateral. Transfers can be voluntary or involuntary. This policy covers the circumstances affecting job assignments. The following definitions apply:

- Promotion - movement to a position with a higher salary classification.
- Demotion - movement to a position with a lower salary classification.
- Lateral - movement to a different position with the same salary classification.

When necessary, a pay adjustment may be made in order to be consistent with the salary range in the new position.

Job Opening

1. Job posting is a way to inform employees of openings and to identify qualified and interested applicants. Other recruiting sources may also be used to fill open positions in the best interest of the organization.
2. Job openings will be posted on the employee bulletin board and normally remain open for ten (10) business days. Internal job postings remain open for five (5) business days. The Department Head/Head in consultation with the General Manager and the Human Resources Department determines whether a position is posted externally, internally or both. Each job posting notice will include the dates of the posting period, job title, department, location, job summary, essential duties, and other job functions and minimum qualifications (required skills and abilities).

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3. To be eligible to apply for a posted job, employees must have completed a six month probationary period for their current position. The employee's attendance and performance history will be taken into consideration for promotions and job transfers. Eligible employees are encouraged to apply for those posted jobs for which they possess the required skills, competencies, and qualifications.
4. To apply for an open position, employees must submit an Internal Job Bid Form signed by their supervisor to the Human Resources Department along with a signed employment application listing job-related skills and accomplishments. The employee is strongly encouraged to submit a resume and describe how their current experience with the company and prior work experience and/or education qualifies them for the position.
5. The company recognizes the benefit of developmental experiences and encourages employees to talk with their supervisors about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization.
6. An applicant's supervisor may be contacted to verify performance, skills, and attendance.
7. Any staffing limitations or other circumstances that might affect a prospective transfer may also be discussed.

TRANSFERS

Job Transfers may result in a promotion, demotion or lateral reassignment:

1. The Company may identify staff members who will be offered job positions of greater responsibility and pay based on proven performance and/or requisite skills.
2. Where the needs of the Company require, as in the case of the abolition of any position within the Company, an employee may be offered available positions that such employee is deemed qualified to fill. Such offers shall be made at the recommendation of the department head, subject however, to the approval of the General Manager. An employee who accepts a new position because of job elimination need not wait the six (6) months immediately after the job elimination before bidding on another job but still must be drug tested (if they are in a non-safety sensitive position and the new position is safety sensitive).
3. The General Manager, in conjunction with the Human Resources Department shall have the authority to transfer employees temporarily from one department to another as he or she may deem necessary for the efficient operation of any department, provided that, in the event of such

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transfer, the transferred employee shall retain his/her existing salary for so long as the transfer is deemed temporary.

4. The Human Resources department shall be notified of all transfers, whether temporary or permanent. Department Heads will notify the Human Resources Department by submitting a signed Personnel Action Authorization Form (PAA) to authorize the transfer.

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SECTION 2: EMPLOYMENT STATUS AND RECORDS

2.01 Employment Classifications and Categories

Effective Date: 07/01/02

Revision Date: 07/01/14

This section defines employment classifications and categories so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and the company. All ERISA laws will be adhered to as to number of hours worked for benefit eligibility.

Each position is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT positions are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT positions are excluded from specific overtime provisions of federal and state wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by the company management.

In addition to the above categories, each employee will belong to an employment category:

1. **REGULAR FULL-TIME** employees are those who are not in a temporary or introductory status and who are regularly scheduled to work the company's full-time schedule. Generally, they are eligible for the company's benefit package, subject to the terms, conditions, and limitations of each benefit program.
2. **REGULAR PART-TIME** employees are those who are not assigned to a temporary or probationary status and who are regularly scheduled to work 30 hours or less per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance) and free transportation on MATA's fixed route and trolley service, they are only eligible for the MTM Employee's Retirement Plan. They are ineligible for all of the company's other benefit programs.
3. **PROBATIONARY** employees are those whose performance is being evaluated to determine whether further employment in a specific position appropriate. Employees who satisfactorily complete the probationary period will be notified of their new employment classification. Their eligibility for the company's benefit package is determined by the terms, conditions and limitations of each benefit program. Employees in new positions shall remain in a probationary category for at least 180 calendar days.
4. **TEMPORARY** employees are those who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment

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assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of the company's other benefit programs.

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2.02 Internship: Interns Policy and Procedure

Effective Date: 07/01/14

Revision Date: 07/01/14

The company periodically employs interns for specific periods. The purpose of this policy is to outline responsibilities and to ensure such student workers have a productive stay with the company. Internships maybe paid or unpaid. Interns may be placed on the company employment rolls as temporary employee, or be provided through an agreement with the college or university. Interns may work on-site or remotely, at the discretion of the Department Head.

Authorization - department heads that plan to add interns for specific assignments must complete a Requisition Form. The following must be outlined on the Requisition form: 1) hours of work, 2) duration of the expected work, 3) proposed rate of pay for the student worker, if applicable and 4) any relevant information from the college or university. Requisitions for these positions will be routed to the Human Resources department after the department head approval.

HR, upon receipt of the requisition, will notify College/University of the prospective vacancy or, if the department head has made arrangements with a partner college or university, Human Resources will coordinate with that college or university to develop an internship agreement.

Orientation – an intern will be provided with an abbreviated orientation program which highlights all aspects of the position they will be engaged in as well as company policies with which they will be expected to conform to during their specific term of employment. This orientation will be conducted by Human Resources Department

Each new intern will also be provided with an in-depth review of department functions and activities and the interaction of these activities with the work the intern will be performing. The department review will be conducted by the department head or designee and team leads during the first week of employment.

Progress Report – The department head will be responsible for providing a report of the assignments and progress in accordance with the school’s reporting requirements. A copy of all reports will be forwarded to the Human Resources Department for record/reporting purposes.

Final report and Out-processing – in the week in which the intern’s assignment comes to a close, the department head will advise Human Resources department to schedule an out-processing interview to be conducted on the day preceding the student workers last day of work.

This policy is targeted toward college students but does not preclude the use of high school students.

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2.03 Maintenance and Access to Personnel Files

Effective Date: 07/01/02

Revision Date: 07/01/14

The company maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of the company, and access to the information they contain is restricted. Generally, only supervisors and management personnel of the company who have a need to know and legitimate reason to review information in a file are allowed to do so. The Human Resources Department should be contacted for all Personnel files.

Employees who wish to review their own file should contact the Human Resources Department. With reasonable advance notice, employees may review their own personnel files in company's offices and in the presence of an individual appointed by the company to maintain the files.

It is the responsibility of each employee to promptly notify the company of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Human Resources Department.

The employee may request to make copies of documents from their personnel file, and the company reserves the right to allow or disallow the request and to charge a fee for any copying.

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2.04 Probationary Period

Effective Date: 07/01/02

Revision Date: 07/01/14

The probationary period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. The company uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or the company may end the employment relationship at will at any time during or after the probationary period, with or without cause or advance notice.

1. All new and rehired employees work on a probationary basis for the first 180 calendar days after their date of hire. Employees who are promoted or transferred within the company must complete a secondary probationary period of the same length with each transfer to a new position. Any significant absence will extend a probationary period by the length of the absence at the discretion of the Department Head. If the company determines that the designated probationary period does not allow sufficient time to thoroughly evaluate the employee's performance, the probationary period may be extended for a specified period.
2. In cases of job reassignment within the company, an employee who, in the sole judgment of management, is not successful in the new position can be removed from that position at any time during the secondary probationary period. If this occurs, the employee may be allowed to return to his or her former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and the company's needs. If positions are not available and the employee's performance is not satisfactory, their employment will be terminated.
3. Upon satisfactory completion of the initial probationary period, employees enter the "regular" employment classification.
4. During the initial probationary period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. After becoming regular employees, they may also be eligible for other company-provided benefits, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirements.
5. Performance appraisal will be completed periodically during the probationary period and at the end of the initial six-month employment probationary period. Upon satisfactory completion of the probationary period, an employee shall be re-classified. There will not be a scheduled salary adjustment made at the time of the six-month probationary period performance appraisal.
6. Employment categories are not changed during the secondary probationary period that results from a job transfer within the company.

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2.05 Performance Appraisals

Effective Date: 07/01/02

Revision Date: 07/01/14

Supervisors and employees are strongly encouraged to discuss job performance and goals on a regular basis. Formal performance evaluations are conducted during an employee's probationary period in any new position. The probationary period allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position.

Additional formal performance appraisals are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

1. Performance evaluations are scheduled annually and during the probationary period. Interim performance appraisals may also be conducted if deemed appropriate by a supervisor if coordinated with the Human Resources Department when an employee's performance is not acceptable.
2. Performance appraisals are intended as an aid in employee development by accessing their performance in the review period. Employees are to complete the Employee Development section of the appraisal. This must be returned to the supervisor, in order for it to be discussed during the review assessment. The employee's supervisor will rate the employee's performance. The form encourages the supervisor and the employee to indicate explanations or justifications for the rating and/or response.
3. Completed performance appraisals, along with employee comments, are placed in an employee's personnel file. The Human Resources Department is available to assist with the administration of the performance appraisal.
4. Merit-based pay adjustments may be awarded by the company in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance appraisal process.

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2.06 Job Descriptions

Effective Date: 07/01/02

Revision Date: 07/01/14

Human Resources working with the Department Heads make every effort to create and maintain accurate job descriptions for all positions within the organization. Each description includes: an effective date, FLSA classification, job title, department, who the position reports to, job function, , an essential duties and responsibilities section, other duties and responsibility section, , a minimum qualifications section (including education and/or experience, language skills, mathematical skills, reasoning ability, and any certification required), and a work environment section.

The company maintains job descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, and establishing a basis for making reasonable accommodations for individuals with disabilities.

The Human Resources Department and the Department Head or his designee prepare job descriptions when new positions are created. Existing job descriptions are also reviewed and revised in order to ensure that they are up to date. Job descriptions may also be rewritten periodically to reflect any changes in the position's duties and responsibilities. All employees will be expected to help ensure that their job descriptions are accurate and current, reflecting the work being done.

Employees should remember that job descriptions do not necessarily cover every task or duty that might be assigned, and that additional responsibilities may be assigned as necessary. Contact the Human Resources Department if you have any questions or concerns about your job description.

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2.07 Salary Administration

Effective Date: 07/01/02

Revision Date: 07/01/14

The salary administration program at the company was created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal Employment Opportunity, and offer competitive salaries within our labor market. Because recruiting and retaining talented employees is critical to our success, the company is committed to paying its employees equitable wages that reflect the requirements and responsibilities of their positions and are comparable to the pay received by similarly situated employees in other organizations in the area.

Compensation for every position is determined by several factors, including job analysis and evaluation, as well as the essential duties and responsibilities of the job. Merit-based pay adjustments may be awarded in conjunction with superior employee performance documented by the performance appraisal process.

Employees should bring their pay-related questions or concerns to the attention of their Department Head, who are responsible for the fair administration of departmental pay practices. The Human Resources Department is also available to answer specific questions about the salary administration program.

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SECTION 3: EMPLOYEE BENEFIT PROGRAMS

3.01 Vacation Benefits

Effective Date: 07/01/02

Revision Date: 07/01/14

Vacation time off with pay is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Regular full-time employees are eligible to earn and use vacation time as described in this policy. Vacations must be scheduled in such a manner as not to interfere with the daily operations of the company or any of its departments.

1. Vacation is earned based upon the amount of continuous employment during the previous calendar year (January 1 through December 31). The employee must have received pay from the company for at least one hundred eighty (180) days of the previous year to be eligible for vacation, and be employed on January 1 of the year the vacation begins. The amount of paid vacation time employees receive each year increases with the length of their employment as shown in the following schedule:
 - a. Upon initial eligibility the employee is entitled to 5 vacation days each year.
 - b. After 2 years of eligible service the employee is entitled to 10 vacation days each year.
 - c. After 5 years of eligible service the employee is entitled to 15 vacation days each year.
 - d. After 13 years of eligible service the employee is entitled to 20 vacation days each year.
 - e. After 20 years of eligible service the employee is entitled to 25 vacation days each year.
2. Once employees enter an eligible employment category, they begin to earn paid vacation time according to the schedule. Earned vacation time is available for use in the year following its accrual. A first time employee who receives pay from the company for 180 days will be eligible for five (5) days' vacation after the first twelve months of employment. All future, vacation will be figured on a calendar year basis.
3. If an employee works less than one hundred eighty (180) days in any calendar year, the employee shall not be eligible to receive a paid vacation. These employees may be granted vacation without pay by the Department Head according to the following schedule:

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Years of Service	Maximum Amount of Unpaid Vacation
1	1 Week
2	2 Weeks
5	3 Weeks
13	4 Weeks
20	5 Weeks

4. The length of eligible service is calculated on the basis of a "calendar year." This is the 12-month period that begins when the employee starts to earn vacation time. Military leave is not deducted for the purposes of vacation calculation. (See individual leave of absence policies for more information.)
5. As employees earn additional vacation leave because of increased seniority, they are not permitted to use those hours until after the employee's actual anniversary date.
6. Paid vacation time can be used in minimum increments of one day. To take vacation, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. A specific period of vacation leave may not extend for more than 10 working days at a time, without prior approval by the Department Head, or in the case of a department head, the General Manager. Additionally, no more than 5 individual days may be taken throughout the year.
7. Vacation time off is paid at the employee's base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.
8. Vacation time may not be borrowed or transferred to other employees for use.
9. In the event that available vacation is not used by the end of the benefit year, employees will forfeit the unused time.
10. Upon termination of employment for reason other than cause, employees will be paid for unused vacation time that has been earned through the last day of work.

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3.02 Holidays

Effective Date: 07/01/02

Revision Date: 07/01/14

Holidays are granted as a benefit to employees in recognition of their work efforts and to allow paid time away from work. Employees on FMLA or who have exhausted their sick leave still received paid holidays for 1 year until they are removed from the payroll, retire or terminated.

1. Regular full-time employees are eligible to receive the benefits of the company's holiday observances. The company will grant holiday time off to eligible employees on the holidays listed below:
 - a. Employee's Birthday (eligibility requires 1 yr. Of continuous employment)
 - b. New Year's Day (January 1)
 - c. Martin Luther King, Jr. Day (third Monday in January)
 - d. Memorial Day (last Monday in May)
 - e. Independence Day (July 4)
 - f. Labor Day (first Monday in September)
 - g. Thanksgiving (fourth Thursday in November)
 - h. Day after Thanksgiving
 - i. Christmas (December 25)
 - j. Eve Holiday
 - k. Two Floating Holidays

2. Full-time employees, after one year of continuous service, are eligible to observe a Birthday and Floating Holidays on a day of the employee's choosing. They must be used within the calendar

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year (January 1 through December 31) in which they are earned.

3. The company will grant paid holiday time off to all eligible employees immediately upon assignment to an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day.
4. Employees working a typical workweek of Monday through Friday with a holiday falling on a weekend will be advised of the day designated as the holiday.
5. If a recognized holiday falls during an eligible employee's paid absence (such as vacation or sick leave), holiday pay will be provided instead of the paid time off benefit that would otherwise have applied.
6. If eligible non-exempt employees work on a recognized holiday, they will receive holiday pay plus wages at straight-time rate for the hours worked on the holiday.
7. When a non-exempt employee is scheduled to work on their day off, which is a recognized holiday, then the employee shall be paid their regularly scheduled 8 hours at straight time for the Holiday Pay, plus an additional rate of 1.5 times their scheduled 8 hours; or
 - a. An employee not required to work will receive an additional day off during the next six months;
 - b. When a Holiday falls on a day the employee has a schedule employee Holiday they will be given an extra day off.
8. Paid time off for holidays will not be counted as hours worked for the purposes of determining whether overtime pay is owed.
9. Exempt employees shall not work on holidays without the prior approval of the Department Head. In the event that exempt employee works on a holiday, then the employee shall receive their regular pay, plus one additional day to use within the next six months.
 - a. If an exempt employee works on their scheduled day off, then the employee shall receive their regular pay, plus one day off to be used as close as possible to the holiday in question.
 - b. If an exempt employee does not work on their scheduled day off, then the employee shall receive an additional day off to be used as close as possible to the holiday in question.

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10. Part-time employees are also eligible to receive additional compensation for work performed on a holiday. Their rate of pay shall be 1.5 times the amount of hours worked on the holiday. Part-time employees will not be paid for hours not worked on a holiday or receive additional time off.
11. Employees on vacation will not be charged for vacation usage, if a holiday occurs during their approved leave of vacation.

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3.03 Workers' Compensation Insurance

Effective Date: 07/01/02

Revision Date: 07/01/14

The company provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

1. Employees who sustain work-related injuries or illnesses should inform their supervisor immediately, where they will be directed to the Human Resources Department.
2. Complete a First Report of Injury.
3. Select a treating physician from the panel of three physicians given them by the Human Resources Department.
4. Comply with the treatment from the physician they have chosen.
5. Keep the Human Resources Department and their supervisor informed as to their condition and possible return to work.

Employees who do not comply with this policy will be subject to disciplinary action. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

The company will investigate all work-related injuries and illnesses.

Workers' Compensation Worker Fraud:

Tennessee Code 56-47-112 - Workers' compensation on insurance antifraud plans

It is a crime to knowingly provide false, incomplete or misleading information to any party to a workers' compensation transaction for the purpose of committing fraud. Penalties include imprisonment, fines and denial of insurance benefits."

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3.04 Sick Leave Benefits

Effective Date: 07/01/02

Revision Date: 07/01/14

The company provides paid sick leave benefits to all eligible active, regular full-time employees for: periods of temporary absence due to illnesses or injuries; medical and dental appointments; and illness (or death) of a spouse, child or parent. It may only be used for its intended purpose and not in lieu of or to supplement, other leave such as holiday pay, jury pay, vacation pay, etc.

1. Employees are eligible to begin accruing sick leave six (6) months from their date of employment. Eligible employees will accrue sick leave benefits at the rate of 10 days per year (.83 of a day for every full month of service). Sick leave is accumulated from the date of employment until end of the year at .833 days per month. At the beginning of any new year, 10 days sick leave is placed in the employee's sick leave bank and earned at the rate of .83 a month.
2. If an employee utilizes sick leave in advance and terminates from the company prior to accruing a sufficient amount of leave to replace the overage amount, then the wages associated with that unearned sick leave shall be deducted from the employee's final pay.
3. Employees can request use of paid sick leave after completing a waiting period of 6 months from the date they become eligible to accrue sick leave benefits. Paid sick leave can be used in minimum increments of one-half hour.
4. Employees who are unable to report to work due to illness or injury should notify their direct supervisor before the scheduled start of their workday if possible. The direct supervisor must also be contacted on each additional day of absence.
5. If an employee is absent for three or more consecutive days due to illness or injury, a physician's statement may be required by the employee's supervisor verifying the illness or injury and its beginning and expected ending dates. Such verification may be requested for other sick leave absences as well and may be required as a condition to receiving sick leave benefits.
6. Before returning to work from a sick leave absence of 1 calendar days or more, the company reserves the right to request that an employee provide a physician's verification that he or she may safely return to work.
7. An employee, who fails to return to work, once released or certified by a physician to do so will be considered to have voluntarily resigned without notice as of the expiration date of the sick leave.
8. Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence

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and will not include any special forms of compensation.

9. Sick leave may not be used for illnesses or injuries that are eligible for workers' compensation benefits.
10. An employee who is on sick leave and accepts other employment shall be considered to have voluntarily terminated as without notice as of their original date the leave was granted. They employee is responsible for reimbursing the company for sick leave used from the initial date of the leave. Any amounts owed the company shall be deducted from any final pay.
11. Unused sick leave benefits will be allowed to accumulate indefinitely and will be credited towards a retiring employee's length of service.
12. Once sick leave has been exhausted an employee may apply for Weekly Benefits, which provides financial assistance for a period, not to exceed 13 weeks. In order to qualify, a doctor's statement must be submitted to certify the continuing illness of an employee on sick leave or in the case of a new incident. In cases of new incidents, the Weekly Benefits shall begin on the fourth day of illness, unless a physician has certified it as an accident. Employees should contact the Human Resources Department for information.

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3.05 Bereavement Leave

Effective Date: 07/01/02

Revision Date: 07/01/14

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. Regular full-time employees are eligible for paid leave commensurate with their regularly scheduled workday.

1. A maximum of 3 days for bereavement leave pay is calculated based on the base pay rate at the time of absence. Bereavement leave will be paid at eight (8) hours for any day the employee is scheduled to work.
2. Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary.
3. The company defines "immediate family" as the employee's spouse, parent, child, sibling; the employee's spouse's parent, child, or sibling; the employee's child's spouse; grandparents or grandchildren. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.

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3.06 Relocation Benefits

Effective Date: 07/01/02

Revision Date: 07/01/14

Relocation assistance may be available to any eligible newly hired employee who must relocate in order to reside in the Memphis area within 50 miles of the company.

1. For specific information regarding the terms and extent of relocation benefits, please contact the Human Resources Department.
2. Employees must request relocation assistance for specific items in advance of the date the expenses are incurred. The company will reimburse expenses only if the employee has received advance approval, incurs reasonable expenses, and submits satisfactory proof of the expense within 30 calendar days of the date the expense was incurred.
3. The company extends these relocation benefits in an effort to contribute to the success of every employee relocation. However, if an employee separates from the company's service within one year of the relocation, the amount of the relocation reimbursement will be considered only a loan. Accordingly, the employee will be asked to reimburse up to 100 percent of the original relocation expense.

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3.07 Jury Duty

Effective Date: 07/01/02

Revision Date: 07/01/14

The company employees are expected to fulfill their civic responsibilities by serving jury duty when required.

1. Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence, minus the payment made by the courts to make up full salary.
2. Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. However, if they are excused for jury duty on any day for more than four (4) hours, the employee is expected to report for work on that day.
3. The company will continue to provide health insurance benefits for the full term of the jury duty absence.
4. The provision does not apply to, nor will employees to be compensated for jury duty served on regularly scheduled days off. An employee who works the night shift will not be asked to report to work while serving on jury duty.

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3.08 Continuation of Health Coverage (COBRA)

Effective Date: 07/01/02

Revision Date: 07/01/14

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

1. Under COBRA, the employee or beneficiary pays the full cost of coverage at the company's group rates plus an administration fee. The company provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under the company's health insurance plan. The notice contains important information about the employee's rights and obligations.
2. Employees should contact the Employee Benefits Office for additional information.

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3.09 Educational Assistance

Effective Date: 07/01/02

Revision Date: 07/01/14

The Company recognizes that the skills and knowledge of its employees are critical to the success of the organization. The educational assistance program encourages personal development through formal education so that employees can maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within the company. Application forms and other data may be received from the Human Resources Department, which is responsible for the administration of the program.

1. The company will provide educational assistance to all eligible employees who have completed 365 calendar days of service in an eligible employment classification. To maintain eligibility employees must remain on the active payroll and be performing their job satisfactorily through completion of each course. Only regular full-time employees are eligible for educational assistance.
2. Individual courses or courses that are part of a degree, licensing, or certification program must be related to the employee's current job duties or a foreseeable-future position in the organization in order to be eligible for educational assistance. The company has the sole discretion to determine whether a course relates to an employee's current job duties or a foreseeable-future position. Employees should contact the Human Resources Department for more information or questions about educational assistance. All such request must be must be submitted at least two weeks in advance of the beginning of the course and approved by the Department Head or in the event of a Department Head, the General Manager. Additionally, employees must sign an Education Reimbursement Program Agreement, which stipulates all of the conditions for reimbursement eligibility, as well as the non-compliance regulations that will cause the employee to make payments back to the company.
3. Approvals for participation in the education reimbursement program is are processed in the order in which the requests are received.
4. While educational assistance is expected to enhance employees' performance and professional abilities, the company cannot guarantee that participation in formal education will entitle the employee to automatic advancement, a different job assignment, or pay increases.
5. Reimbursement payments are made after the satisfactorily completion of the course, or "pass" in order to qualify for reimbursement. All such request, once approved will be included with the next scheduled processing of payroll. Employees must submit documentation regarding the completion of the course in order to receive reimbursement.

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6. The company invests in educational assistance to employees with the expectation that the investment be returned through enhanced job performance. However, if an employee voluntarily separates from the company's employment within one year of the last educational assistance payment, the amount of the payment will be considered only a loan. Accordingly, the employee will be required to repay up to 100 percent of the original educational assistance payment. Additionally, employees who receive a certification or degree with the assistance provided by the company's education reimbursement program must remain in the employment of the company for at least twenty-four (24) months after the receipt of such. Failure to do so makes the employee responsible for reimbursing the company for all funds dispensed toward the attainment of the degree or certification.
7. The company reserves the right to limit the funding available for Educational Assistance Program in its sole discretion.

Reimbursement of tuition will be based on a percentage for the grade. A or B– 100%, C – 80%, D-70%, F or course failure will result in no reimbursement.

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3.10 Health Insurance

Effective Date: 07/01/02

Revision Date: 07/01/14

The company's insurance plan provides eligible employees and their dependents access to medical, dental, and vision insurance benefits paid by the employee. There is a premium based on the employee's elected coverage. The company reserves the right to adjust these costs as necessary. When adjustments are necessary, employees will be given maximum notice of the changes.

1. Regular full-time employees are eligible to participate in the health insurance plan the first of the month following 90 days of employment.
2. A change in employment category that would result in loss of eligibility to participate in the health insurance plan may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) Policy for more information.
3. Details of the health insurance plan are described in the Summary Plan Description (SPD). A Summary Plan Description (SPD) and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact the Human Resources Department for more information about health insurance benefits.
4. In event that an employee is unable to work and has exhausted all forms of paid leave, it is the employee's responsibility to be current on their insurance premium cost for each applicable month. However, should the any portion of the past due amount exceed 90 days, the Company shall cease all applicable coverage.
5. Please note that any descriptions of benefits contained in this Handbook are merely highlights of the programs and benefits provided. If the programs and benefits highlighted in this Handbook are covered by Summary Plan Descriptions or official plan documents then, in the event of any conflict, the summary plan descriptions and official plan documents will govern.

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3.11 Life and Accidental Death and Dismemberment Insurance

Effective Date: 07/01/02

Revision Date: 07/01/14

Life insurance offers you and your family important financial protection. The company provides a basic life insurance and Accidental Death and Dismemberment plan for regular full-time employees.

1. Details of the basic life insurance plan including benefit amounts are described in the Summary Plan Description provided to eligible employees. Contact the Employee Benefit Office for more information about life insurance benefits. The policy benefit amount is equal to 1.5 times the employee's annual salary.
2. Life insurance benefits continue upon retirement from the company.
3. Accidental Death and Dismemberment insurance benefit does not continue upon retirement from the company.
4. Please note that any descriptions of benefits contained in this Handbook are merely highlights of the programs and benefits provided. If the programs and benefits highlighted in this Handbook are covered by Summary Plan Descriptions or official plan documents then, in the event of any conflict, the summary plan descriptions and official plan documents will govern.

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3.12 Retirement Plan

Effective Date: 07/01/02

Revision Date: 07/01/14

The Company has established a retirement plan to provide employees and their families when applicable the potential for future financial security for retirement.

1. The Plan is a defined benefit plan and mandatory for eligible employees. Eligible employees participate in the retirement plan subject to all terms and conditions of the plan, including applicable regulations under the ERISA guidelines.
2. The employee and the company make contributions in accordance to the retirement plan requirements.
3. Details of the retirement plan are described in the Summary Plan Description (SPD). A Summary Plan Description (SPD) will be provided in advance of enrollment to eligible employees. Contact the Human Resources Department for more information about health insurance benefits.
4. Please note that any descriptions of benefits contained in this Handbook are merely highlights of the programs and benefits provided. If the programs and benefits highlighted in this Handbook are covered by Summary Plan Descriptions or official plan documents then, in the event of any conflict, the summary plan descriptions and official plan documents will govern.

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3.13 Employee Assistance Program

Effective Date: 07/01/02

Revision Date: 07/01/14

The company cares about the health and well-being of its employees and recognizes that a variety of personal problems can disrupt their personal and work lives. While many employees solve their problems either on their own or with the help of family and friends, sometimes employees need professional assistance and advice. The company has an Employee Assistance Program (EAP) available to employees to address such concerns. EAP contact information is prominently displayed on bulletin boards throughout the company. If additional information is needed, employees may contact the Human Resources Department.

1. Through the Employee Assistance Program (EAP), the company provides **confidential** access to professional counseling services for help in confronting such personal problems as alcohol and other substance abuse, marital and family difficulties, financial or legal troubles, and emotional distress. The EAP is available to all employees and their eligible family members offering problem assessment, short-term counseling, and referral to appropriate community and private services.
2. The EAP is strictly confidential and is designed to safeguard your privacy and rights. Information given to the EAP counselor may be released only if requested by you in writing. All counselors are guided by a Professional Code of Ethics.
3. Personal information concerning employee participation in the EAP is maintained in a confidential manner. If an employee voluntarily enters in the EAP Program, information related to an employee's participation in the program is not entered into the personnel file. However, employees who are referred as the results of disciplinary action must cooperate with and follow their prescribed EAP plan. The reason for the referral and the results of EAP plan of action will be documented in the employee's personnel file as a part of the disciplinary action. An employee's failure to participate and adhere to the prescribed plan will result in additional disciplinary action, which may result in termination.
4. There is no cost for employees to consult with an EAP counselor. If further counseling is necessary, the EAP counselor will outline community and private services available. The counselor will also let employees know whether any costs associated with private services may be covered by their health insurance plan. Costs that are not covered are the responsibility of the employee.

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SECTION 4: TIMEKEEPING/PAYROLL

4.01 Paydays

Effective Date: 07/01/02
Revision Date: 07/01/14

All employees are paid biweekly. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

The Company may require the employee to have their pay directly deposited into their bank account. If an employee does not have a bank account, the company will provide the employee with a pay card. Employees will receive an itemized statement of wages.

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4.02 Employment Termination

Effective Date: 07/01/02

Revision Date: 07/01/14

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- Resignation - voluntary employment termination initiated by an employee.
- Discharge - involuntary employment termination initiated by the company.
- Layoff - involuntary employment termination initiated by the company for non-disciplinary reasons.
- Retirement - voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the company.

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

Since employment with the company is based on mutual consent, both the employee and the company have the right to terminate employment at will, with or without cause, at any time. Employees will receive their final pay in accordance with applicable state law.

Employee benefits will be affected by employment termination in the following manner. All accrued, vested benefits that are due and payable at termination will be paid in accordance to company policies. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

If a lay off (reduction in force) is necessary, the General Manager has the sole authority to determine the job classifications, their locations, and the number of positions within the classification that may be abolished, reduced or frozen.

The efficient operation and needs of the Company will be the primary consideration for a lay off (reduction in workforce).

Where and how to reduce staff is a management decision. Contact the Human Resources department for general guidelines and benefits rights during layoff.

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4.03 Pay Advances

Effective Date: 07/01/02
Revision Date: 07/01/14

Pay advances are not permitted under any circumstances.

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4.04 Pay Deductions and Withholdings

Effective Date: 07/01/02

Revision Date: 07/01/14

The law requires that the company make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. The company also deducts Social Security taxes on each employee's earnings up to a federally-specified income limit. A deduction is also made for Medicare and Retirement Plan.

The company offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

Withholdings are pay deductions taken by the company, usually to help pay off a debt or obligation to the company or other legal indebtedness, such as garnishments or liens.

If you have questions concerning deductions from your paycheck or how they were calculated, the Finance Department can assist in having your questions answered.

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SECTION 5: WORK CONDITIONS AND HOURS

5.01 Safety and Security

Effective Date: 07/01/02

Revision Date: 07/01/14

To assist in providing a safe and healthful work environment for employees, customers, and visitors, the company has established a workplace safety program. This program is a top priority for the company. Its success depends on the alertness and personal commitment of all.

The company provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Employees and supervisors receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize hazards.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees 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.

Employees are prohibited from using all personal electronic devices while operating a company vehicle or working in a safety sensitive area. Employees using personal electronic devices while operating a company vehicle or working in a safety sensitive area may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify their immediate supervisor and file a First Report of Injury with the Human Resources Department. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

Identification Cards and Security Cards

All regular full-time and part-time employees will receive a company Identification Card and Security Card for gate access. These can be issued once information has been received to put an employee on the payroll. Security Cards are not transferable to other individuals under any circumstances.

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Lost identification cards and Security Card should be reported immediately to Human Resources Department. Replacement fees are as follows:

- Identification Card \$10
- Security Card \$25

There will not be a fee assessed for replacement of a damaged or stolen card if the damaged card is turned in or a police report is submitted.

Upon termination of employment, the identification card and security card must be returned to the department head or Human Resources Department.

SECURITY AND PARKING FOR COMPANY PROPERTY

Bus Parking Lot

Only MATA buses and company vehicles are allowed on the bus parking lot.

Exceptions are:

1. Trucks making pick-ups
2. Trucks delivering fuel, oil, or other necessary materials.
3. Private vehicles approved by General Manager

Office and Maintenance Parking Lot

The office parking lot is reserved for office personnel, employees having business in the Administration or Operations Building, Board members and visitors

No parking is allowed in the designated accessible spaces without a disabled hang tag. Appropriate authorization must be visible in the vehicle at all times. Employees violating the restricted parking area rules will be reported.

Delivery trucks will be allowed into the above area.

Parking at Other MATA Facilities

Parking for employees at other MATA facilities will be designated by the General Manager or designee.

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5.02 Work Schedules

Effective Date: 07/01/02

Revision Date: 07/01/14

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

“Flex time” schedules are allowed for Administration employees, subject to the approval of their Department head. The work day consist of eight (8) hours plus a lunch period of 30 or 60 minutes. Start time may be any of the following:

7:00 am

7:30 am

8:00 am

8:30 am

9:00 am

9:30 am

End time may be any of the following:

3:30 pm

4:00 pm

4:30 pm

5:00 pm

5:30 pm

6:00 pm

6:30 pm

Eligible employees must inform their Department head of their choice of start time and end time.

See also 7.04 Attendance and Timekeeping.

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5.03 Use of Company Office Equipment

Effective Date: 07/01/02

Revision Date: 07/01/14

Company Office Equipment, includes the telephone, fax and copy machines, the mail system, computers, internet services and other equipment provided by the company to preform job duties. Company office equipment is for business use only. The following guidelines apply:

1. Employees should practice discretion and keep personal communication to a minimum. Employees may be required to reimburse the company for any charges resulting from their personal communications.
2. The mail system, fax and copy machines, computers, and internet services are reserved for business purposes only. Employees should refrain from sending or receiving personal communications and viewing non-business websites at the workplace.

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5.04 Smoking

Effective Date: 07/01/02

Revision Date: 07/01/14

In keeping with the company's intent to provide a safe and healthful work environment, smoking is prohibited throughout the company's buildings, facilities and equipment, i.e. vehicles, Service centers and Trolley facilities.

1. The company permits smoking outside of the buildings only in designated areas.
2. This policy applies equally to all employees, customers, and visitors.
3. Violation of this policy will subject an employee to disciplinary action, including termination.

Employees may take smoke breaks during normal break periods. No additional breaks beyond normal break periods may be taken for the purpose of using tobacco products.

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5.05 Use of Equipment, Vehicles and Pool Cars

Effective Date: 07/01/02

Revision Date: 07/01/14

Company property, vehicles, and equipment, including lap top computers, etc., essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

1. The supervisor must be notified if any equipment, machines, tools, or vehicles 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 employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.
2. The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.
3. Request for use of company equipment must be cleared with the immediate supervisor.
4. Company cars assigned to individuals must only be used for Company business and are prohibited from being used as a personal car. Company vehicles assigned on a regular basis for take home purposes must be approved by the General Manager or his/her designee. All company vehicles will only be driven by the employee who is designed as the responsible person for the vehicle. Anyone found abusing a Company designed vehicle will lose the privilege associated with the use and is subject to disciplinary action. The vehicle must be left on the property when on vacation or absence from the company on leave for two or more days.
5. Procedures for requesting and using company pool vehicles are as follows:
 - a. Employees that require the use of a company pool vehicle in the execution of their responsibilities should request the use of that item in advance of its anticipated use. This may be accomplished by contacting a representative at the Front Desk. Employees assigned to that position should process all such requests in the order in which they were received, noting the name of the employee, expected pick-up time and the time of return.
 - b. Upon arrival at the Front Desk to obtain the vehicle, the employee will be issued an appropriate form to track its use, along with keys and any other required items.

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- c. Employees driving company owned or leased equipment must maintain a driver's license at all times. Equipment requiring the use of a Tennessee Commercial Driver's License must also remain valid while driving company owned or leased equipment. Additionally, employees who routinely operate cars or other equipment must notify their supervisor immediately upon any changes or restrictions that impact their driver's license, i.e., such as being placed on probation, limited usage, suspension or revocation. Failure to do so will result in disciplinary action.
6. All accidents must be reported immediately to the driver's supervisor. Forms to documents these occurrences must be completed.

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5.06 Emergency Closings

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Revision Date: 07/01/14

Employees are expected to report for work during inclement weather. However, if that is not possible, you should contact your immediate supervisor as soon as possible. Transportation department employees should contact the Run Dispatcher prior to the beginning of their shift.

At times, emergencies such as severe weather, fires, power failures, or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility. In the event that such an emergency occurs during nonworking hours, local radio and/or television stations will be asked to broadcast notification of the closing. When the threat of inclement weather exists, management encourages employees to begin immediately finding an alternate mode of transportation to work (co-worker, bus, etc.)

In cases when an emergency closing is not authorized, employees who fail to report for work will not be paid for the time off. Vacation and holidays can be used in lieu of losing a day's pay, which will be withheld from your next paycheck.

When the decision to close is made **AFTER** the workday has begun, employees will receive official notification from their immediate supervisor. In these situations, time off from scheduled work will be paid.

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5.07 Business Travel Expenses

Effective Date: 07/01/02

Revision Date: 07/01/14

The company will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the General Manager.

The following expense reimbursement policy is intended as a guide for employees who incur expenses while on company business. This policy is not intended to cover all instances in which expenses may be reimbursed. In general, a public purpose consistent with the Authority's objectives must be served when public funds are expended. Final disposition of expenses submitted for reimbursement will be subject to this test. The General Manager or Assistant General Manager shall approve company employee expenses.

All claims for travel and other expenses while on official business will be reviewed by the General Manager or his designee prior to payment.

Specific approval by the General Manager or his designee of employees' expenses must be obtained before reimbursement will be made for travel, business and entertainment expenses. Such expenses must have been incurred in the conduct of business for the company only.

The claims for reimbursement of allowable travel and/or expenses incurred while on official business of the company shall be submitted by a verified and documented expense report and shall be computed based on the following policies.

Travel arrangements are made or approved by the General Manager or designee.

Employees are expected to limit expenses to reasonable amounts.

Expenses that generally will be reimbursed include the following:

- Airfare or train fare for travel in coach or economy class or the lowest available fare.
- Car rental fees, if public transportation is not reasonably available.
- Baggage Fees
- Taxi fares, only when reasonable and if public transportation is not reasonably available.
- Mileage costs for use of personal cars, only when less expensive transportation is not available or pool cars are not available.
- Local bus and rail fares.
- Hotel or similar lodgings.

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- Tips (other than meals that are included in per diem).
- Telephone calls, fax, printing, shipping and similar services required for business purposes.
- Airport parking if the cost is less than other options, such as taxi.
- Conference or Workshop registration fees.

OVERNIGHT REQUIRED

Meals (per diem)

A daily meal allowance (per diem) of forty-five dollars (\$45.00) per day shall be provided for overnight trips. Such meal allowances shall include tips for meals. The meal allowance for "high cost" areas defined as metropolitan areas with populations greater than one million or other areas that may be designated on a case-by-case basis as "high cost" by the General Manager shall be increased to sixty dollars (\$60.00) per day.

In the event of a group meal: 1) The actual expense of the meal shall be reported on the Expense Report of the individual actually paying the bill; 2) The Expense Report shall indicate the names of those participating in such a group meal; and 3) The allowance schedule for each meal is as follows:

	<u>Normal Cost Areas</u>	<u>High Cost Areas</u>
Breakfast	\$10.00	\$15.00
Lunch	\$12.50	\$15.00
Dinner	<u>\$22.50</u>	<u>\$30.00</u>
	\$45.00	\$60.00

An employee will not be reimbursed the per diem when the meal is purchased or expensed by another company employee.

The daily allowance will also be reduced for any meals charged to the employee's room in accordance with the aforementioned schedule. An employee shall not claim per diem for any meal that is included in the conference registration fee.

In the event an individual is traveling only for a portion of a day, claims for meals will only be allowed for the meal(s) that apply for that portion of the day.

The following listing will assist employees in the calculation of their pro-rated per diem:

Departing For Trip -

If you leave Memphis after:

10:00 a.m.

2:00 p.m.

You are entitled to:

Lunch & Dinner

Dinner Only

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Returning from Trip -

If you arrive in Memphis after:

10:00a.m.

2:00 p.m.

5:00 p.m.

You are entitled to:

Breakfast only

Breakfast & Lunch

All meals

An employee may elect to submit receipts for actual meal expenses plus tips not to exceed the appropriate per diem allowance as established in this policy.

Business Meals and Entertainment Expenses

The expense of a meal at which company business is discussed may be reimbursed under the following circumstances:

- a. There must be a specific expectation of obtaining some specific benefit for the company at some definite time.
- b. During the meeting, there must be business discussed, negotiation, or other bona-fide business transaction for the purpose of obtaining that benefit.
- c. The principle aspect of the meal must be the active conduct of the Authority's business.
- d. The number of representatives present must not be unreasonable.
- e. The allocable expenses of the meeting apply only company representatives and the persons actively conducting company business.
- f. The surroundings in which the meeting is taken must be conducive to business discussions and without substantial distraction.
- g. The expense must not be unreasonable, extravagant, or lavish.

No meal shall be eligible for both reimbursement and per diem allowance.

Transportation

Transportation by public conveyance (bus, rail) is the preferred method of travel and shall be reimbursed at the actual amount expended for such transportation. In addition, the expense of taxicab, or rental car incurred when traveling out of the city on official business shall be reimbursed. This includes collision coverage for a rental car that you should elect unless such coverage is provided through the credit card used at the time of rental. A receipt shall accompany claims for such expenses. Airport parking also requires a receipt.

Transportation should be the most economical available that meets the schedule requirements of official business.

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Airline travel of an employee on authorized official business shall be the least expensive fare available unless favorable scheduling or routing requires otherwise. The original airline ticket receipt must be submitted with the expense report.

Private Cars - Expenses

A company vehicle should always be used whenever it is available.

Travel by private means of transportation shall be reimbursed at the current I.R.S. approved standard mileage rate plus parking and toll fees. The reimbursement per mile shall not exceed the cost of coach class air, plus taxis or rental cars. If commercial flights are not available to a particular out-of-state or in-state city, reimbursement for transportation expenses shall be computed at the current mileage rate plus parking and toll fees.

No claim for any expenses including gas, oil or repairs shall be allowed to any company employee when a privately owned automobile is used on company business.

Minimum State Financial Responsibility (TCA 55-12-102) Insurance requirements shall be maintained during anytime that a privately owned automobile is used for authorized company business.

When driving a privately owned automobile rather than flying to their destination, meals, lodging and driving expenses incurred by driving shall not exceed the expenses which would have been incurred had the trip been made by commercial airline (coach class) including ground transportation where commercial flights are available to the proposed destination. In addition, if more than one (1) employee is transported in the same private means of transportation, only one individual may claim mileage, parking and toll fees as reimbursable expense.

Company Cars - Expenses

When a company automobile is used for transportation, no claim for other fare shall be made against the company. Out-of-pocket expenses incurred when traveling in Company-owned vehicles may be reimbursed where such expenses are directly chargeable to the operation of the vehicles. Such expenses must be listed separately and individually on the form. These expenses would include fuel, parking and tolls.

No related expenses of an employee's spouse accompanying him or her while on official business of the company are allowable.

Conventions, Seminars and Meetings

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Each year The Company will establish a travel budget that contains funds for this purpose.

Special consideration will be given to an individual with interest in attending an event with a particular agenda/subject matter applicable to that person.

The policies set forth in this section apply to eligible expenses incurred while attending conferences, seminars, and meetings.

Justification for Excess

Written justification may be required to support charges that may seem unreasonable.

Travel Advances

When travel is required for official business away from Memphis, a travel advance to cover reasonable and expected expenses will be permitted when such expenses will exceed fifty dollars (\$50.00). In determining whether to issue a travel advance, expenses considered shall not include the cost of air travel or registration fees when these have been prepaid by the company. Requests for travel advances shall be made at least five (5) working days prior to the day of departure from Memphis. Upon completion of any trip, a travel expense report, including itemization of expenditures made, shall be filed, together with all receipts for authorized travel expenses. Should the total of the authorized expenses be less than the travel advance, the employee shall reimburse the company the difference within five (5) working days. When the total of the authorized travel is in excess of the travel advance, a check will be issued for the difference.

Expense Report

The Expense Report form must be completed and approved by the General Manager or his designee before reimbursement will be made.

Receipts should be obtained for all expenses. When receipts cannot reasonably be obtained, written explanations should be furnished. The written explanation would include the nature of the expense, date, purpose, and amount of expense. If the vendor's receipt does not clearly state this information, the information should be filled in.

Approved Expense Reports must be submitted to the Finance department within five (5) working days from the last day an expense is charged on the report.

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SECTION 6: LEAVES OF ABSENCES

6.01 Family Medical Leave Act (FMLA)

Effective Date: 07/01/02

Revision Date: 07/01/14

The Federal Family and Medical Leave Act (FMLA) provides employees with the right to take unpaid leave when employees need time off from work to care for themselves or a family member who is seriously ill, to care for a newborn or newly adopted child or to attend to the affairs of a family member who is called to active duty in the military. Questions regarding the FMLA, and the Company's FMLA policy, should be directed to the Company's Human Resources Department.

Eligibility

- Employee must have worked for the Company for at least 12 months.
- Employee must have worked for the Company for at least 1,250 hours of service during the 12-month period preceding the beginning of the leave.

Leave Entitlement

Leave under the FMLA may be taken intermittently or on a reduced leave schedule when necessary.

Employees are allowed up to 12 workweeks of unpaid leave in a 12-month period for any combination of the following:

- Birth, adoption or foster care placement of the employee's child.
- To care for the employee's spouse, child or parent who has a serious health condition.
- For the employee's own serious health condition.
- Due to any qualifying exigency arising as a result of the employee's spouse, son, daughter or parent serving or called to serve on covered active military duty in a foreign country. The U.S. Department of Labor defines eight circumstances that constitute a "qualifying exigency"
 - Short-notice deployment (7 days' notice or less)
 - Attend military events/ceremonies and related activities related to active duty or call to active duty
 - Childcare and school activities
 - Financial and legal arrangements
 - Counseling
 - Spend time with a military member who is on temporary rest and recuperation leave
 - Post-deployment activities
 - To care for military member's parent who is incapable of self-care while the military member is on covered active duty.
 - Additional activities not encompassed in the other categories, but agreed to by the Company and employee

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Employees are allowed up to 26 workweeks of unpaid leave in a single 12-month period to care for their parent, spouse, child or next of kin who, is a current member of the Armed Forces, including a member of the National Guard or Reserves, or a covered veteran and who has a serious injury or illness incurred or aggravated in the line of duty within the last five years that may render the service member medically unfit to perform his or her duties and for which the service member is undergoing medical treatment, recuperation, or therapy, is in outpatient status, or is on the temporary disability retired list.

In the case of a covered veteran, this means a serious injury or illness incurred or aggravated by service in the line of duty and manifested itself before or after the member became a veteran and is:

- i. A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the armed forces and that rendered the service member unable to perform the duties of the service member's office, grade, rank, or rating; or
- ii. A physical or mental condition for which the covered veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50% or greater, with such VASRD rating being based, in whole or In part, on the condition precipitating the need for military caregiver leave; or
- iii. A physical or mental condition that substantially impairs, or would do so absent treatment, the covered veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service; or
- iv. An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

Serious Health Condition

Under the FMLA, a “serious health condition” is defined as 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.

Employees on paid sick leave, vacation and/or receiving short-term disability benefits will be required to take FMLA concurrently. If after the paid leave has been exhausted and the employee still needs additional FMLA leave, then the remainder of the leave necessary to reach the 12 week limit shall consist of unpaid leave.

An employee who has an industrial injury or industrial illness who meets the criteria of a serious health condition will be required to take FMLA concurrently with the time off for the industrial injury or industrial illness.

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Notification of Leave

Employees requesting FMLA leave should notify the Company's Human Resource Department.

In the event of foreseeable FMLA leave, the employee must notify the Company at least 30 calendar days before the date on which leave is to begin, or as soon as practicable. In the event of unforeseeable leave, notice must be provided to the Company as soon as practicable after the commencement of leave.

Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company's operations.

Failure to comply with the notification requirements under this policy may result in the delay or denial of FMLA leave, in which case an employee's absences may be subject to the Company's regular attendance policy.

Certification

An employee taking leave involving the serious health condition of the employee or the employee's family member, or the serious injury or illness of a covered service member, will be required to provide medical certification completed by a health care provider within 15 days of the Company's request for certification. The Company may require second or third medical opinions, and/or recertification's from employees taking FMLA leave, as it deems necessary, and as permitted by law.

An employee taking leave due to a qualifying exigency arising as a result of the employee's spouse, son, daughter or parent serving on active military duty in a foreign country may be required to provide documentation verifying the need for such leave. In such instances, the employee is required to provide the requested documentation within 15 days of the Company's request for the documentation.

Employees returning to work after the completion of FMLA leave for their own serious health condition may be required to submit a fitness-for-duty certification verifying the employee's ability to perform the essential functions of the employee's position.

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers and other entities covered by GINA Title II from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by law. To comply with this law, the Company requires that employees not provide any genetic information when responding to requests for medical information associated with FMLA leave. "Genetic information," as defined by GINA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

Failure to comply with the certification requirements under this policy may result in the delay or denial of FMLA leave, in which case an employee's absences may be subject to the Company's regular attendance policy.

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Continuation of Benefits

During any period of FMLA leave, an employee will be retained in the employee's elected group benefit plans on the same basis as if the employee had been continuously employed during the employee's leave period. To continue group coverage, the employee must continue to make any contributions that the employee made to the plan before taking leave. In some instances, the Company may recover the cost of the Company's contributions towards the employee's group coverage made during the FMLA leave period if the employee fails to return to work upon the conclusion of the employee's leave.

Return to Work

Generally, an employee taking leave under the FMLA will be restored to the job position the employee held prior to taking leave, or, if the position is no longer vacant, to a position with equivalent pay, benefits and other terms of employment.

An employee who desires to return to work before the scheduled expiration of the employee's FMLA leave must notify the Company of such desire as soon as possible, but no later than two working days prior to the employee's requested return date.

Generally, an employee who fails to return to work after the expiration of the employee's FMLA leave will be subject to the Company's regular attendance policy, which may lead to discipline, up to and including discharge.

As with all leaves of absence, no employee may pursue or engage in outside or supplemental employment (i.e., moonlighting) while on FMLA leave.

Company Responsibilities

The law requires that employers covered under the FMLA 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 Company 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.

It is unlawful for any employer to: (1) interfere with, restrain, or deny the exercise of any right provided under FMLA; or (2) 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.

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer for violation of the FMLA. FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

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6.02 Military Leave

Effective Date: 07/01/02

Revision Date: 07/01/14

If you are called to active military duty or you enlist in the uniformed services, you are eligible for unpaid military leave of absence in accordance with state and federal law. Present your supervisor with a copy of your service papers as soon as you receive them. To be eligible for military leave, you must provide management with advance notice of your service obligations unless you are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable for you to provide such notice.

During your absence, your length of service accumulates, and your benefits will continue as required by applicable law. Provided your absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws.

If you are required to attend yearly Reserves or National Guard duty, you may apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). However, if you prefer, you may use your accrued vacation time for this purpose. You should give your supervisor as much advance notice as possible so we can ensure proper coverage while you are away.

Please ask management for further information about your eligibility for Military Leave.

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SECTION 7: EMPLOYEE CONDUCT AND DISCIPLINARY ACTION

7.01 Employee Conduct and Work Rules

Effective Date: 07/01/02

Revision Date: 07/01/14

To ensure orderly operations and provide the best possible work environment, the company expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

Although there is no way to identify every possible violation of standards of conduct, the following is a partial list of serious infractions that will result in corrective action, up to and including discharge.

1. Falsifying employment application, time record, or other company documents or records, as well as unauthorized possession of the company or employee property is a serious infraction and will result in immediate termination without warning for cause. This includes the unauthorized and non-acknowledged signing of an officer's or another employee's name on company documents or obligations. This constitutes forgery and is considered a serious violation of policy.
2. Gambling, carrying weapons or explosives, or violating criminal laws on company premises is a serious infraction and will result in immediate termination without warning for cause. Included in such behavior is the possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment, except as permitted by state laws.
3. Fighting, threatening violence in the workplace, horseplay, practical jokes or other disorderly conduct on company premises or off duty while in uniform or representing the company or conducting company business.
4. Engaging in acts of dishonesty, fraud, theft or sabotage is a serious infraction and will result in immediate termination without warning for cause.
5. Threatening, intimidating, coercing, using abusive or vulgar language, or interfering with the performance of other employees.
6. Insubordination or refusal to comply with instructions and/or policies, as well as failure to cooperate with company investigations or failure to perform reasonable duties that are assigned are serious infractions and will result in immediate termination without warning for cause.

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7. Unauthorized use of company material, time, equipment or property.
8. Theft or damaging or destroying company property due to careless or willful acts of misconduct are serious infractions and will result in immediate termination without warning for cause.
9. Conduct that the company feels reflects adversely on the employee or the company including all conflict of interest and ethics guidelines.
10. Performance that the company determines does not meet the requirements of the position.
11. Negligence in observing company safety guidelines, smoking rules or other health related rules.
12. Engaging in such other practices as the company determines may be inconsistent with the ordinary and reasonable rules of conduct necessary to the welfare of the company, its employees, or customers, including willful acts of unlawful employment discrimination or harassment.
13. Any complaints received from passengers or the general public through official communication channels dealing with courtesy and behavior, hazardous operation, or violations of any established rule or procedure.

This list is intended to be representative of the types of activities that may result in disciplinary action. It is not intended to be comprehensive and does not alter the employment-at-will relationship between the employee and the company. Employment with the company is at the mutual consent of the company and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

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7.02 Drug and Alcohol Use

Effective Date: 07/01/02

Revision Date: 07/01/14

It is the company's desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner. As a recipient of federal funding, the company has adopted a substance abuse policy, which is distributed to every employee. All requirements of this policy will be adhered to. It is the responsibility of every employee to read and abide by this policy. If you have any questions concerning the policy these may be addressed to the Human Resources Department.

1. While on company premises and while conducting business-related activities off company premises, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals.
2. Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.
3. To inform employees about important provisions of this policy, the company has established a drug-free awareness program. The program provides information on the dangers and effects of substance abuse in the workplace, resources available to employees, and consequences for violations of this policy.
4. Employees with questions or concerns about substance dependency or abuse are encouraged to use the resources of the Employee Assistance Program. They may also wish to discuss these matters with their Department Head or the Human Resources Department to receive assistance or referrals to appropriate resources in the community.
5. Employees with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may participate in a rehabilitation or treatment program through the company's health insurance benefit coverage.
6. Under the Drug-Free Workplace Act, an employee who performs work for a government contract or grant must notify the company of a criminal conviction for drug-related activity occurring in the workplace. The report must be made within five days of the conviction.
7. Employees with questions on this policy or issues related to drug or alcohol use in the workplace

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should raise their concerns their Department Head or the Human Resources Department without fear of reprisal.

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7.03 Harassment

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The company is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, sexual orientation, or any other legally protected characteristic will not be tolerated. The company provides harassment training to ensure you the opportunity to work in an environment free of sexual and other unlawful harassment.

1. Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:
 - a. Unwanted sexual advances.
 - b. Offering employment benefits in exchange for sexual favors.
 - c. Making or threatening reprisals after a negative response to sexual advances.
 - d. Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
 - e. Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
 - f. Verbal sexual advances or propositions.
 - g. Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
 - h. Physical conduct that includes touching, assaulting, or impeding or blocking movements.
2. Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3)

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the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

3. If you experience or witness sexual or any other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Human Resources Department or any other member of management. You can raise concerns and make reports without fear of reprisal or retaliation. The complainant must file a complaint with the Human Resources Director in writing. Employees who need assistance in this effort shall contact their immediate supervisor of Human Resources Department. An investigation of the alleged complaint will be made, and the complainant, alleged offender and other appropriate personnel will be notified of the investigation and results.
4. All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.
5. Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Human Resources Department or any member of management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including discharge.

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7.04 Attendance and Timekeeping

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To maintain a safe and productive work environment, the company expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on the company. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence. Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment. In compliance with the guidelines of the federal Fair Labor Standards Act (FLSA) and the laws of the State of Tennessee, the company shall determine and establish work schedules and guidelines for employees. Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. Work schedule guidelines and procedures for completing time records have been established to facilitate the efficient and safe operation of the company's responsibilities and commitment to provide quality service to its customers, as well as to insure accurate pay for time worked.

1. The normal workweek is Monday through Friday, with regular daily administrative/business office hours of 8 a.m. until 5 p.m. the company has adopted a standard workweek of 40 hours for all employees. In order to achieve the best utilization of time in the performance of job responsibilities, work schedules will be established for all employees. In order to comply with federal law regarding the application of overtime pay for non-exempt employees, our official workweek runs from Sunday through Saturday.
2. According to standards of the federal Fair Labor Standards Act (FLSA), an employee may be designated as exempt from the overtime provisions of the ACT if the employee is employed in a job position that is determined to be of a bona fide executive capacity, administrative capacity, or professional capacity. Employees in job positions designated as exempt are not required to record their breaks and starting and quitting time. These employees are not paid by the hour. They are expected to perform work outside scheduled hours as needed, and they are compensated based on this expectation. Employees in these groups must meet strict requirements detailed in the regulations. Actual job duties are collectively the determining factor. The Human Resources department will determine the jobs exempted from the overtime pay requirements. The only employees who are exempt from the overtime pay provisions, according to federal FLSA regulations, are the following:
 - a. Executives
 - b. Administrative employees
 - c. Professional employees

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3. All employees shall be notified of their specific work schedule at the time of initial employment or assignment to a new job within the company service.
4. Changes in work schedule, which may affect work days, working hours, reporting times, or shifts, may be made by the appropriate Department Head, the General Manager or his or her designee whenever it is appropriate in the best interest of the company. Schedule changes will be communicated to the affected employees as soon as practical and prior to the change in schedule.
5. Certain employees may be eligible for flextime, if approved by Department Head, as described in 5.02 Work Schedules.
6. Employees shall record their work time daily on the authorized time and attendance forms necessary to process payroll on a bi-weekly basis. (The design of the actual time and attendance form may vary based on departmental needs and method of data collection.) Employees are responsible for completing their personal attendance record. Employees are not permitted to submit or sign these records on behalf of their co-workers. In an employee's absence a supervisor may submit an interim attendance record to facilitate the processing of payroll. The submission of completed time and attendance forms shall be an accurate account of an employee's actual time worked. It should reflect ALL leave utilized, both paid and unpaid, as well as all other variations from the assigned work schedule. Additionally, leave forms should accompany the completed attendance record.
7. Employees are expected to report to work as scheduled and work their entire workday, except for a lunch break and other authorized breaks.
8. Depending upon eligibility, employees will be able to request the use of various types of leave, both paid and unpaid. Leave requests will be granted based on staffing levels and work demands. Additionally, employees should always be aware of the occurrence policy that regulates absences and the consequences to excessive absences. Employees should review leave policies and consult with their supervisor for guidance. Attendance expectations and guidelines are outlined in the occurrence policy.

Overtime

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage

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and hour laws. Overtime pay is based on actual hours worked. Suspension, sick leave, inclement weather, leave or absences without pay will not be included in determining overtime pay.

Failure to work scheduled overtime or overtime worked without prior authorization from the supervisor may result in disciplinary action, up to and including discharge..

Guidelines for handling and recording overtime are as follows:

1. The federal wage and hour law requires employers to pay overtime wages at one and one-half times the straight time equivalency over forty hours per week. This applies to all nonexempt employees--even those who work overtime voluntarily, without the consent of a supervisor. There are no statutory provisions pertaining to the length of the workday.
2. The department heads must authorize overtime work. The company will pay non-exempt employees for all time worked. In keeping with this, each employee should work only the time that is scheduled, unless the employee has the prior approval of management to work outside of the established work schedule. Employees are not to perform any work at all outside his/her authorized schedule, unless management specifically authorizes the schedule change and/or additional work. Any employee who performs work before or after his/her scheduled starting time without authorization may be subject to disciplinary action. This also applies to employees who work during their scheduled meal periods. If an employee reports early or late or work part of his/her meal period, the employee will be paid only for regularly scheduled hours, unless their supervisor authorized the work prior to the work being performed.
3. Non-exempt employees must be paid for all time worked in a workweek, including fractional parts of an hour in excess of seven minutes.
4. Compensatory time off in lieu of overtime pay is not permitted.
5. Despite use of biweekly pay period, each workweek must be treated as a separate unit for computing overtime pay. Federal regulations do not allow averaging the hours worked in two or more weeks.

Meal Periods

A schedule for employee meal periods should be established on the basis of work requirements in each department. Staggered meal periods may be necessary in certain departments. Supervisors should allow employees to take at least thirty minutes and not more than an hour for meals, depending of the needs of each department. Meal periods are not considered time worked and should be recorded accordingly. If carrying out assigned duties is preventing the employee from taking a full meal period, the employee should immediately notify their department head in writing. Assigned duties should never prevent the employee from taking a full meal period. The department head will

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either make arrangements to allow the employee to take a full meal period that day or authorize the employee to record the scheduled meal period as paid work time.

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7.05 Personal Appearance

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Workplace attire and grooming standards contribute to the morale of all employees and affect the business image the company presents to customers and visitors.

During business hours or when representing the company, employees are expected to present a professional, businesslike image to visitors, customers, and the public.

The department heads are responsible for determining the appropriate workplace attire and grooming for their department. Department heads should communicate their department's workplace attire and grooming guidelines to employees during the orientation and appraisal period. If the department head determines that an employee's personal appearance is inappropriate, the employee may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, the employee will not be compensated for the time away from work. Where necessary, reasonable accommodation may be made to a person with a disability.

Certain employees may be required to meet special dress, grooming and hygiene standards, such as wearing uniforms or protective clothing, depending on the nature of their job. Your department head will provide a uniform voucher if your job position requires the use of a uniform.

General guidelines should be followed:

1. Personal apparel must not create any safety concerns and should not be torn, tattered, tight fitting, or revealing. Dresses or skirts should not have hemlines or back/side slits more than 3" above the knee. In general, clothing that could be considered provocative regardless of fashion styles, including exposure of any part of the anatomy that may be perceived as suggestive is not allowed.
2. Shoes must provide safe, secure footing, and offer protection against hazards.
3. Tank tops, tube or halter-tops, or shorts may not be worn under any circumstances.

Casual Days

The following information is intended to serve as a guide to help define appropriate casual business wear for employees who are allowed to participate during designated casual days at the company. Each Friday will be a designated casual day. Some employees by nature of their position will always have to wear uniform or business attire.

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Our primary objective is to have employees project a professional image while taking advantage of more casual and relaxed attire. Casual dress offers a welcome alternative to the formality of typical business attire.

However, not all casual clothing is appropriate for the office. Business casual business wear means clean, neat, professional clothing. It is never appropriate to wear stained, wrinkled, frayed, or revealing clothing to the workplace. If you are considering wearing something and you are not sure if it is acceptable, consult with your department head.

Listed below is a general overview of acceptable business casual wear as well as a listing of some of the more common items that are not appropriate for the office. Obviously, neither group is intended to be all inclusive. Rather, these items should help set the general parameters for proper business casual wear and allow you to make intelligent judgments about items that are not specifically addressed.

Examples of acceptable casual business wear include:

- slacks
- jeans, neatly pressed (not tattered nor tight fitting)
- casual dresses and skirts
- casual shirts and blouses
- golf shirts
- turtlenecks
- sweaters
- loafers
- boots
- athletic shoes
- flats
- dress sandals

Examples of inappropriate clothing items that should not be worn at any time include:

- sweatpants
- short shorts
- miniskirts
- T-shirts or sweatshirts with offensive messages or images
- tank tops
- halter tops
- visible undergarments
- leggings or other tight fitting garments

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For some, traditional business attire may simply remain a more favored option on casual days. We hope and fully expect that casual days will help make our workplace more enjoyable and productive.

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7.06 Drug Testing

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The company is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. The company complies with all State and Federal drug testing requirements. Pre-employment drug testing is required with a negative test result for employment with the company. Some current employees who are safety sensitive must meet all federal drug testing requirements. Any company employee may be subject to testing under the non-safety sensitive provisions.

Pre-employment drug testing is required with a negative test result for employment with the company. Current employees who are classified as safety sensitive must meet all federal drug testing requirements. Any company employee may be subject to testing under the non-safety sensitive provisions.

Copies of the Substance Abuse Policy will be provided to all employees. Employees will be asked to sign an acknowledgment form indicating they have received a copy of the Substance Abuse policy. Education on the harmful affect of drugs and alcohol is provided to all employees during orientation. Questions concerning this policy or its administration should be directed to the Human Resource Department or Department Head.

For further details refer The MTM Drug and Alcohol Free Workplace Program.

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7.07 Employee Discipline

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The purpose of this policy is to state the company's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels. Refer also to Policy 7.01.

1. The company's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.
2. Although employment with the company is based on mutual consent and both the employee and the company have the right to terminate employment at will, with or without cause or advance notice, the company may use progressive discipline at its discretion.
3. Disciplinary action may call for any of four actions -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed.
4. Progressive discipline means that, with respect to many disciplinary problems, the following steps may be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to discharge.
5. The company recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps. In arriving at a decision for proper action, the following will be considered:
 - The seriousness of the infraction or violation
 - The past record of the employee
 - The circumstances surrounding the matter
6. While it is impossible to list every type of behavior that may be deemed a serious offense, the ***Employee Conduct and Work Rules policy 7.01*** includes examples of problems that may result in immediate suspension or termination of employment. However, the problems listed are not all necessarily serious offenses, but may be examples of unsatisfactory conduct that will trigger

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progressive discipline.

7. By using progressive discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and the company.

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7.08 Problem Resolution

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

The company strives to ensure fair and honest treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with the company in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when an employee believes 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 employee may discontinue the procedure at any step.

1. Employee presents problem to immediate supervisor within 7 calendar days, after incident occurs. If supervisor is unavailable or the employee believes it would be inappropriate to contact that person, the employee may present the problem to the department head.
2. The department head responds to problem during discussion or within 14 calendar days, after consulting with appropriate management, including the company EEO Officer. The department head meets with employee within the 14 days and informs employee of the determination. The department head documents proposed resolution and discussion.
3. If the employee still feels his/her problem needs further resolution, the employee may present the problem to the company EEO Officer within 7 calendar days.
4. The EEO Officer may assist the employee in putting the problem in writing.
5. The EEO Officer investigates the problem, meets with the employee within 14 calendar days and informs the employee of the determination. The EEO Officer also provides appropriate documentation to the file and to all involved parties.

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6. At the discretion of the EEO Officer, a Grievance Committee may be convened to consider the matter. . The Grievance Committee, if convened, would schedule and conduct a hearing to investigate the problem as quickly as reasonably possible generally within 30 calendar days.
7. The Grievance Committee reviews and considers the problem and makes a recommendation to the EEO Officer. The EEO Officer informs the employee of the decision within 7 calendars days, and forwards a copy of written response to the General Manager and to Human Resources department for the employee file.
8. If the employee wishes to appeal the EEO Officer's decision, the employee must file an appeal to the General Manager within 7 calendar days. The General Manager will respond to the matter within 7 calendar days. The General Manager's decision is final.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees 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.

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7.09 Company Bulletin Boards

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There are many company bulletin boards on the company premises that are used to communicate important company information to employees. All notices that affect employees in any way will be posted on company bulletin boards, including information on policy changes, employee notifications, etc. No one may post information on the bulletin boards without first obtaining approval from the department head in charge of maintaining the bulletin board. Because of various legal considerations, it may be advisable that department head must consult with the Human Resources department prior to approving postings.

No handbills or notices may be distributed on company property without prior approval of the General Manager or his designee.

You are responsible for reading the information posted on the bulletin boards regularly. This includes standards of conduct and management memos and other document postings.

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7.10 Cell Phone Usage

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Employees are prohibited from using cell phones while driving and should safely pull off the road and come to a complete stop before dialing, talking or texting on the cell phone.

As a representative of the company, cell phone users are reminded that the regular business etiquette employed when speaking from office phones or in meetings applies to communications conducted over a cell phone.

The company provides cell phones to some employees as a business tool. They are provided to assist employees in communicating with management, employees, and others with whom they may conduct business. Cell phone use is primarily intended for business related communication. However, occasional, brief personal use is permitted within a reasonable limit. Cell phone charges may be regularly monitored and employees may be required to reimburse the cost of personal communications.