

EMPLOYEE HANDBOOK SUMMARY

Employment:

- **NATURE OF EMPLOYMENT:** Employment with Hurst is at the mutual consent of Hurst and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.
- **EQUAL EMPLOYMENT OPPORTUNITY:** Hurst does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, sexual orientation, age, or any other characteristic protected by law.
- **BUSINESS ETHICS & CONDUCT:** At the very least Hurst expects employees to be honest, respectful, drug-and alcohol free at work, and professional in all behavior. This means showing up on time for scheduled shifts and giving an honest day's work for a day's pay. Disrespectful conduct, theft, fighting or violence, sexual or other unlawful or unwelcome harassment, excessive absenteeism and/or chronic tardiness are just some of the types of behavior that are not tolerated at Hurst and will result in disciplinary action, up to and including termination of employment.
- **HIRING OF RELATIVES:** The President may choose to allow relatives to work in the same department as long as they are assigned to different shifts or work areas.
- **OUTSIDE EMPLOYMENT:** If other employment interferes with the employee's duties at Hurst, he or she may be asked to make a choice between the two positions.
- **DISABILITY ACCOMODATION:** Reasonable accommodation is available to all employees with disabilities, where their disability, as defined by the ADA, affects the performance of essential job functions.

Employment Status

- Exempt employees are not entitled to overtime pay.
- Non-Exempt employees are entitled to overtime pay.
- Regular Full-time employees regularly work a minimum of 30 hours per week.
- Regular part-time employees work 29 hours or less per week.
- Temporary employees may be full-time or part-time for a limited, specific duration.

Employee Benefit programs

Benefit	Regular Full-time Employees (30+ hours per week)	Regular Part-time Employees (29 hours per week or less)	Temporary Employees
401(k) Savings Plan	Eligible after 12 months continuous employment if yearly hours worked is 1,000 or more.	Eligible after 12 months continuous employment if yearly hours worked is 1,000 or more.	N/A
Auto Mileage Reimbursement	Eligible if required to use personal vehicle for work-related business	Eligible if required to use personal vehicle for work-related business	Eligible if required to use personal vehicle for work-related business
Employee Discounts	Eligible	Eligible	Eligible
Flextime Scheduling	Eligible	Eligible	Eligible
Health Insurance	Eligible after 60 days continuous employment Cigna Network Providers	N/A	N/A
Health Savings Account (HSA) Contributions	Eligible only if enrolled in Hurst Health Insurance Plan	N/A	N/A
Dental Reimbursement	Eligible after 60 days continuous employment	N/A	N/A
Paid Holidays <ul style="list-style-type: none"> • New Years' Day • Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day 	Eligible to accrue after 90 days continuous employment	N/A	N/A
Family and Medical Leave	Eligible after 12 months continuous employment and completion of 1,250 work hours	Eligible after 12 months continuous employment and completion of 1,250 work hours	N/A
Personal Leave	Eligible	Eligible	N/A
Vacation Benefits	Eligible after 12 months continuous employment	N/A	N/A
Bereavement Leave	Eligible	Eligible	Eligible
Jury or Witness Duty Leave	Eligible	Eligible	Eligible

VACATION HOURS:

Length of Service	Accrual Per Hour	Estimated Accrual Per Year for 40 Hours Per Week
Hire to 24 th month	.019231	40 hours
24 th to 108 th month	.038461	80 hours
109 th month and beyond	.057693	120 hours

Vacation hours may be redeemed for their cash value instead of being taken as time off at the discretion of the employee. To cash out vacation time, make your request in writing through your store manager.

- DENTAL REIMBURSEMENT PLAN: Dental Reimbursement Plan reimburses you, your spouse, and your dependents for dental expenses as follows:

Reimbursable Dental Expense	Plan Payment	Participant Payment
First \$300	100%	0%
Second \$500	80%	20%
Third \$1000	50%	50%
Total Per Person on Plan	\$1,200	\$600

- FLEXTIME SCHEDULING: Employees may request the opportunity to vary their work schedule (within employer-defined limits) to better accommodate outside responsibilities.
- 401(K) SAVINGS PLAN: Once you have been employed twelve months with 1,000 hours worked, you will be automatically enrolled in the 401k plan at a 3% deferral rate and a 1% annual increase thereafter, up to a 5% deferral rate, UNLESS YOU OPT OUT. Contact the Human Resources Manager for instructions to opt out.
- EMPLOYEE DISCOUNTS: All employees are entitled to a Cost Plus 15% discount on their purchases at Hurst Ace Hardware Stores and The Desert Rat. This discount applies to regular priced merchandise in the store. The discount does not apply to guns, water heaters, power tools, sale items, and already discounted or price sensitive goods.
- Employees required to use their personal vehicle for company business will be reimbursed at the Federal Mileage Reimbursement rate, which is adjusted yearly.
- FAMILY & MEDICAL LEAVE: Hurst's Family and Medical Leave Program allows eligible employees to take up to 12 weeks of leave during a 12-month period, in accordance with the Family and Medical Leave Act (FMLA), for the following conditions:
 - LEAVE OF ABSENCE: Hurst provides leaves of absence without pay to eligible employees who wish to take time off from work duties to fulfill personal obligations.
 - STORE TO STORE EMPLOYMENT TRANSFERS: Available to employees who have been employed in current position for at least nine months, meet other eligibility factors, and with HR approval.

Timekeeping/Payroll

- TIMEKEEPING: Nonexempt employees should report to work no more than 7 minutes prior to their scheduled starting time nor stay more than 7 minutes after their scheduled stop time without expressed, prior authorization from their supervisor.
- **OVERTIME: Overtime work must always be approved before it is performed**
- PAYDAYS: All employees are paid biweekly on every other Thursday. Each paycheck will include earnings for all work performed for the two-week pay period ending on the preceding Sunday. A total of 26 paychecks are normally issued each year. Hurst Stores/Hurst Company offers paper free payroll through direct deposit. Employees may access their pay history, paystubs, etc. at www.paylocity.com.
- EMPLOYEE TERMINATION: Since employment with Hurst is based on mutual consent, both the employee and Hurst have the right to terminate employment at will, with or without cause, at any time.
- PAY ADVANCES: Hurst does not provide pay advances on unearned wages to employees.

Work Conditions & Hours

- WORK SCHEDULES: Employees are expected to work schedules as posted. Requests for time off should be made early and approved by the Store Manager. If, under exceptional circumstances, and employee cannot make his/her shift, he should contact the manager on duty immediately to report his absence. Employees who are going to be late to work must likewise alert the manager on duty.
- **USE OF CELL PHONES: On the floor personal cellular phones are only to be used for work-related business. Personal calls and texts should be made during rest and meal periods.**
- SMOKING: Smoking and vaping are prohibited throughout the workplace and are limited to approved breaks and meal periods. All smoking must be done in an designated smoking area at least 25 feet from the building and not in view of customers.
- REST & MEAL PERIODS: Employees will be provided rest periods and meal periods each workday, depending on the length of their shift.
- USE OF EQUIPMENT & VEHICLES: Please notify your supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. While operating a Hurst vehicle or your own vehicle on Hurst business, Hurst bans the use of all electronic

communication devices while driving, including cell phones, PDAs, text messaging devices, laptops, tablets and iPads. Hurst prohibits ALL cell phone conversations while driving. This applies equally to hands-free and handset cell phone usage, because the problem is distraction – not physical impairment. Employees should pull safely off the road and stop the vehicle before making phone calls. Incoming phone calls and texts should not be answered, and be returned later, once the car is safely parked.

- EMERGENCY CLOSINGS: When operations are officially closed due to emergency conditions, the time off from scheduled work will be unpaid. However, with supervisory

approval, employees may use available paid leave time, such as unused vacation benefits.

- COMPUTER & EMAIL USAGE: All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Hurst.
- SOCIAL MEDIA: Hurst's reputation and brand should be protected by all employees. The lives and actions of your coworkers should never be shared online. Please note the preferences of fellow employees who are parents before you use the name of their children online.

Employee Conduct & Disciplinary Action

- EMPLOYEE CONDUCT & WORK RULES: The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:
 - ✓ Disrespectful conduct toward customers or vendors
 - ✓ Theft or inappropriate removal or possession of property
 - ✓ Falsification of timekeeping records
 - ✓ Working under the influence of alcohol or illegal drugs
 - ✓ 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
 - ✓ Fighting or threatening violence in the workplace
 - ✓ Boisterous or disruptive activity in the workplace
 - ✓ Negligence or improper conduct leading to damage of employer-owned or customer-owned property
 - ✓ Insubordination or other disrespectful conduct
 - ✓ Violation of safety or health rules
 - ✓ Engaging in sabotage
 - ✓ Sexual or other unlawful or unwelcome harassment
 - ✓ Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace without authorization
 - ✓ Excessive absenteeism or any absence without notice
 - ✓ Chronic tardiness
 - ✓ Overtime without prior supervisor approval
 - ✓ Unauthorized absence from work station during the workday
 - ✓ Unauthorized use of telephones, mail system, or other employer-owned equipment
 - ✓ Making false, malicious statements about any employee, the company, or its service
 - ✓ Violation of personnel policies
 - ✓ Unsatisfactory performance or conduct
- DRUG & ALCOHOL USE: 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 in the workplace. An employee may be required to provide a doctor's note or prescription for any drug which may impair his or her functions.
- SEXUAL & OTHER UNLAWFUL HARASSMENT: Actions, words, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, or any other legally protected characteristic will not be tolerated. Any employee who wants to report an incident of sexual or other unlawful harassment should promptly report the matter to his or her supervisor.
- PERSONAL APPEARANCE: During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. NO torn or "shredded jeans, open-toed shoes, shorts or skirts more than 3" above the knee, tank tops or midriff baring tops, visible body piercing other than ear or nose, visible tattoos that could be offensive, vulgar, or otherwise inappropriate.
- RETURN OF PROPERTY: Employees must return all Hurst property on or before their last day of work.
- EMPLOYEE RESIGNATION: Hurst requests at least two weeks' written resignation notice from all employees.
- SECURITY INSPECTIONS: Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of Hurst. Accordingly, any agent or representative of Hurst can inspect them, as well as any articles found within them, at any time, either with or without prior notice. Persons carrying concealed firearms must register their concealed carry permit with the Administrative Office and the Store Manager.
- SOLICITATION: Employees may not solicit or distribute literature concerning these activities during working time.
- PROGRESSIVE CORRECTIVE ACTION: Although employment with Hurst is based on mutual consent and both the employee and Hurst have the right to terminate employment at will, with or without cause or advance notice, Hurst may use progressive corrective action at its discretion.
- SUGGESTION PROGRAM: As employees of Hurst, you have the opportunity to contribute to our future success and growth by submitting suggestions for practical work-improvement or cost-savings ideas. A suggestion is an idea that will benefit Hurst by solving a problem, reducing costs, improving operations or procedures, enhancing customer service, eliminating waste or spoilage, or making Hurst a better or safer place to work.