

# ***Fred Garrison Oil Company***

## **Employee Handbook**

### **301 Employee Benefits**

Effective Date: 1/1/2013

Revision Date: 7/12/18

Fred Garrison Oil Company gives eligible employees many benefits. Some benefits are required by law and cover all employees. The legally required benefits include Social Security, workers' compensation, state disability, and unemployment insurance.

There are several factors that decide if you are eligible for a benefit. One important factor is your employment classification. See your supervisor to find out which benefit programs for you are eligible for. This employee handbook contains policies describing many of the benefit programs. Sometimes a policy will tell you that there is more information in another place such as the Summary Plan Document.

The following benefit programs are available to eligible employees:

- \* Attendance Bonus
- \* Auto Allowance
- \* Auto, Employer-Owned Car
- \* Bereavement
- \* COBRA Insurance
- \* Educational Financial Assistance
- \* Family Leave
- \* Flexible Spending Account (FSA)
- \* Health Insurance – A reimbursement plan
- \* Holidays
- \* Jury Duty Leave
- \* Life Insurance
- \* Meal Allowances
- \* Medical Leave
- \* Military Leave
- \* Paid Time Off (PTO)
- \* Personal Leave - Unpaid
- \* Simple Pension Plan
- \* Travel Allowances
- \* Uniform and Uniform Maintenance
- \* Vacation Benefits
- \* Voting Time Off
- \* Workers' Compensation Insurance

You may have to pay part or all of the cost of some benefit but Fred Garrison Oil Company fully pays for many of them.

# ***Fred Garrison Oil Company***

## **Employee Handbook**

### **303 Vacation Benefits**

Effective Date: 1/1/2013

Revision Date: 1/24/2022

Fred Garrison Oil Company offers vacation time off with pay to eligible employees. Employees in the employment classification of "Regular full-time employees" are eligible for paid vacation time.

The employee is entitled to begin accruing vacation time immediately at a rate equal to 96 hours per year. 96 hours divided by 26 pay periods equals 3.7 hours per pay period.

Full eligibility to use this benefit begins 90 days from initial employment. For example, if an employee begins working at Fred Garrison Oil Company on June 10th of 2018 they will begin seeing accrued vacation on their paycheck the first pay period. They will be fully eligible to use their accrued hours of vacation after September 10th of 2018.

To schedule your vacation, you should first ask for advance approval from your supervisor. Each request will be reviewed based on a number of factors, including business needs and staffing requirements. It is strongly discouraged to take more than 6 consecutive days of vacation at a time and a request to do so may be denied.

You will be paid for vacation time off at your base pay rate at the time of vacation. Vacation pay does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differential.

We encourage you to use your available paid vacation time for rest and relaxation. Employees may carry only 40 hours of unused time forward to the next benefit year. If the total amount of unused vacation time on December 31<sup>st</sup> is more than 40 hours, available time will be reduced to 40 hours.

Fred Garrison Oil Company, in its sole discretion, may lift the 40 hour carry-over rule if business needs change. Employees will be notified if this happens and when the carry-over rule would be reinstated. If the carry-over rule is temporarily lifted, this means employees will not lose vacation time at the end of the year. Fred Garrison Oil Company, in its sole discretion, may offer to pay out vacation hours as gross wages if business needs warrant an extended time where the company needs employees to be at work more.

Upon termination of employment, Fred Garrison Oil Company, may, in its sole discretion, pay eligible employees for unused vacation time that has been earned through the last day of work.



# ***Fred Garrison Oil Company***

## **Employee Handbook**

### **305 Holidays**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company performs some services 24 hours a day, 365 days a year. It may not be possible for some employees to be off on a recognized holiday. Fred Garrison Oil Company recognizes and may give time off to some or all employees on the following holidays listed below:

- \* New Year's Day (January 1)
- \* Memorial Day (last Monday in May)
- \* Independence Day (July 4)
- \* Labor Day (first Monday in September)
- \* Thanksgiving (fourth Thursday in November)
- \* Christmas Eve 1/2 day (December 24)
- \* Christmas (December 25)
- \* New Year's Eve 1/2 day (December 31)

Eligible employees will be paid for holiday time off. If you are eligible, your holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times 8 hours.

Employees that are in the employment classification of "Regular full-time employees" are eligible for holiday time off.

If a recognized holiday falls on a Saturday or a Sunday, Fred Garrison Oil Company will allow the employee to take an additional personal day when they choose to do so. If a recognized holiday falls during an eligible employee's paid absence (such as vacation or personal time), holiday pay will be provided instead of the paid time off benefit that would otherwise have applied.

If eligible nonexempt employees work on a recognized holiday, they will receive wages at their straight-time rate for the hours worked on the holiday plus an additional personal day to use at a later date at their discretion.

Paid time off for holidays will not be counted as hours worked for the purposes of determining overtime. Worked time on the holidays will be counted as hours worked for the purposes of determining overtime.

If you are eligible for paid holidays, you are expected to also work both the last scheduled work day immediately before the holiday and the first scheduled day immediately after the holiday unless time off is approved in advance by your supervisor.



## ***Fred Garrison Oil Company***

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#### **306 Workers' Compensation Insurance**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company provides a comprehensive workers' compensation or, at our discretion, an accidental injury insurance program to our employees. This program does not cost you anything.

The insurance program provided covers injuries or illnesses that might happen during the course of your employment that require medical, surgical or hospital treatment. Subject to legal requirements, the insurance begins after a short waiting period, or if you are hospitalized, the benefits begin immediately.

It is very important that you tell your supervisor immediately about any work-related injury or illness, regardless of how minor it might seem at the time. Prompt reporting helps to make sure that you qualify for coverage as quickly as possible and lets us investigate the matter promptly.

Workers' compensation or accidental injury insurance covers only work-related injuries and illnesses. Neither Fred Garrison Oil Company nor its insurance carrier will pay benefits for injuries that might happen if you voluntarily participate in an off-duty recreational, social, or athletic activity that we might sponsor.





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## ***Fred Garrison Oil Company***

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#### **308 Time Off to Vote**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company wants employees to fulfill their civic responsibilities by participating in elections. Generally, employees are able to find time to vote either before or after their regular work schedule. If employees are unable to vote in an election during their nonworking hours, Fred Garrison Oil Company will grant up to 1 hour of time off to vote. You will not be paid for the time off.

If you need time off to vote, see your supervisor for the time off on or before the election day.



## ***Fred Garrison Oil Company***

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#### **309 Bereavement Leave**

Effective Date: 1/1/2013

Revision Date:

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately.

Up to 2 days (16 hours total) of paid bereavement leave will be provided to employees in the employment classification "Regular full-time employees" per year.

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

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.

Fred Garrison Oil Company defines "immediate family" as the employee's spouse, parent, step-parent, child, step-child, brother, sister, step-brother, step-sister, grandparent, grandchild, and in-laws.



## ***Fred Garrison Oil Company***

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#### **311 Jury Duty**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company encourages employees to fulfill their civic responsibilities by serving jury duty if you get a summons. Employees in an eligible classification may request up to 2 weeks of paid jury duty leave over any 1 year period.

Employee classifications that qualify for paid jury duty leave are "Regular full-time employees". Jury duty pay will be calculated on the employee's base pay rate times 8 hours per day.

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence.

If you get a jury duty summons, show it to your supervisor as soon as possible. This will help us plan for your possible absence from work. We expect you to come to work whenever the court schedule permits.

Either Fred Garrison Oil Company or the employee may request an excuse from jury duty if, in Fred Garrison Oil Company's judgment, the employee's absence would create serious operational difficulties.

Subject to the terms, conditions and limitations of the applicable plans, Fred Garrison Oil Company will continue to provide health insurance benefits for the full term of the jury duty absence.

Vacation, sick leave, and holiday benefits will continue to accrue during unpaid jury duty leave.





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### **313 Benefits Continuation (COBRA)**

Effective Date: 1/1/2013

Revision Date:

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) helps employees and their qualified beneficiaries to continue health insurance coverage even if they are no longer eligible under our health plan.

There are strict rules about when you can use COBRA. COBRA lets an eligible employee and dependents choose to continue their health insurance when a "qualifying event" happens. Qualifying events include the employee's resignation, termination of employment, leave of absence, shorter work hours, divorce or legal separation, or death. Another qualifying event is when a dependent child stops being eligible for coverage under your health insurance.

If you continue your insurance under COBRA, you will pay the full cost of coverage at Fred Garrison Oil Company's group rates plus an administration fee. When you become eligible for our health insurance plan, we will give you a written notice describing rights granted under COBRA. Because the notice contains important information about the employee's rights and what to do if you need COBRA, be sure to read it carefully.





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## ***Fred Garrison Oil Company***

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## **314 Educational Assistance**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company offers an educational assistance program to encourage employees to maintain and improve job-related skills through formal education.

Employees in the employment classification "Regular full-time employees" are eligible for the education assistance program.

You must first complete 365 calendar days of service in an eligible employment classification to participate in educational assistance. When you start getting education assistance, you must continue to be an active employee and perform your job satisfactorily to stay in the program.

Not every course is eligible for the educational assistance. To be eligible, a course or a group of courses that are part of a degree, licensing, or certification program must be related to your current job duties or a to a position you might have at Fred Garrison Oil Company in the foreseeable future. Fred Garrison Oil Company will make the final decision about whether a course or program is eligible for educational assistance and is related to your current job or a future one. If you have questions about educational assistance, contact the Chief Executive Officer for more information.

We hope that educational assistance will develop your skills but we do not promise or guarantee that more education will result in promotions, new job assignments, or pay increases.

We invest in employees' education because we expect that our investment will benefit Fred Garrison Oil Company. However, if you receive educational assistance and then voluntarily terminate your employment within one year of the last payment, we will consider the amount we paid to be just a loan. We will then require you to repay up to 100 percent of the original educational assistance payment we made.



# **Fred Garrison Oil Company**

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### **315 Paid Time Off (PTO)**

Effective Date: 1/1/2013

Revision Date: 11/01/18

Fred Garrison Oil Company provides Paid Time Off (PTO) to eligible employees. PTO is an all-purpose time-off policy. You can use PTO for vacation, illness or injury, and personal business. It combines traditional sick leave, personal leave and additional bereavement plans into one flexible, paid time-off policy. This is separate and in addition to paid vacation time off.

Employees in the employment classification of "Regular full-time employees" are eligible to earn and use PTO as described in this policy.

The employee is entitled to begin accruing PTO at a rate equal to the schedule below on their first pay period. The payroll department will correct the rounding to achieve the full hours of PTO.

Eligibility to use this benefit begins as it is accrued and reported by the payroll department.

The amount of PTO employees receive each year increases with the length of their employment as shown in the following schedule:

\*The employee is immediately entitled to 96 hours each year (12 - 8 hour working days), accrued biweekly at the rate of 3.7 hours - (96 hours divided by 26 pay periods equals 3.7 hours per pay period)

\*After 10 years of eligible service the employee is entitled to 120 hours each year (16 - 8 hour working days), accrued biweekly at the rate of 4.62 hours per pay period.

Employees who have an unexpected need to be absent from work 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 unexpected absence.

To schedule planned PTO, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

PTO is paid at the employee's base pay rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

In the event that available PTO is not used by the end of the benefit year, employees can be paid for the unused time bringing the benefit balance to zero. PTO accrual will begin again in the next pay period. This end of year PTO payment eligibility is based on the employee's employment date. To be eligible to receive this benefit an employee must have started work on or before June 30<sup>th</sup> of the benefit year. If an employee begins working for Fred Garrison Oil Company after June 30<sup>th</sup>, eligibility to receive paid PTO is pushed forward into the next calendar year and will be paid with all other eligible employees at the end of that benefit calendar year.

Upon termination of employment, employees will not be paid for unused PTO that has been earned through the last day of work.

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### **316 Health Insurance**

Effective Date: 1/1/2013

Revision Date: 1/1/19

Fred Garrison Oil Company offers health insurance to all eligible employees. Employees in the employment classification "Regular full-time employees" are eligible to participate in the health insurance plan.

The eligible employees can enroll in the health insurance plan once they have completed a full calendar month of employment.

There are more details available to the health insurance plan. Contact the Controller for more information about health insurance.



## ***Fred Garrison Oil Company***

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#### **317 Life Insurance**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company offers a basic life insurance plan for eligible employees. The cost of the insurance is the responsibility of the employee and would be a deduction from payroll.

Employees in the employment classification of "Regular full-time employees" are eligible to enroll in the life insurance plan.

The eligible employees may participate in the life insurance plan, at their option, subject to the terms and conditions of the agreement between Fred Garrison Oil Company and its insurance carrier.

There are more details about the basic life insurance plan including benefit amounts in the Summary Plan Description provided to eligible employees. If you have questions about our life insurance plan, contact the Controller for more information.



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## 320 Simple IRA Plan

Effective Date: 1/1/2013

Revision Date: 1/1/17

Fred Garrison Oil Company has a Simple IRA plan as of 1-1-2017. Employees will be responsible for obtaining their own individual IRA account. Enrollment is only allowed at the beginning of each calendar year. Fred Garrison Oil Company does provide a company match and this is 100% vested at time of the contribution is made.

Please see the form 5304- SIMPLE for more information. Your controller can provide this to you and answer more questions.



## ***Fred Garrison Oil Company***

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### **326 Flexible Spending Account (FSA)**

Effective Date: 1/1/2013

Revision Date:

Fred Garrison Oil Company provides a Flexible Spending Account (FSA) program that allows employees to have pre-tax dollars deducted from their salaries to pay for eligible out-of-pocket expenses. The pre-tax contributions made to the FSA can be used to pay for predictable non-reimbursed health care expenses and dependent care expenses during the plan year. Through the FSA program, you can reduce your taxable income without reducing your real income, so that you can keep more of the money you earn.

Employees in the employment classification of "Regular full-time employees" are eligible to participate in the Flexible Spending Account program.

Participation in the Health Care and/or Dependent Care FSA is optional and determined on an annual basis for the plan year. You must enroll for each plan year. You determine how much to contribute to the account, up to a specified maximum, based on anticipated expenses during the plan year. You may contribute up to a maximum of 2,500 dollars each year for your Health Care FSA. The maximum contribution for your Dependent Care FSA is 5,000 dollars per year. Contributions are directed to the account through salary reduction on a pre-tax basis. This tax-free money is then available to you for reimbursement of out-of-pocket expenses. Since the amounts that remain in the account at the end of the plan year are forfeited, you should take care not to over-fund your account.

Details of the Flexible Spending Account program are described in the Summary Plan Description (SPD). Contact the Owner for more information on the Flexible Spending Account program and to obtain enrollment and reimbursement forms and worksheets with examples of reimbursable and non-reimbursable expenses.