



# *Policies & Procedures*

*January 2021*

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**  
 ALPHABETICAL TABLE OF CONTENTS

TOPIC	PAGE
ABOUT THIS MANUAL	3
ACKNOWLEDGEMENT OF COMPANY RULES & MANUAL	43
ANTI-SOLICITATION	7
ATTENDANCE POLICY	27
BENEFITS INTRODUCTION	17
BENEFITS AT A GLANCE	18
BEREAVEMENT LEAVE OF ABSENCE	21
BONUSES	13
BREAK ROOM	20
BREAKS	13
BUILDING ACCESS	11
CARRY-OVER VACATION	19
CELLULAR PHONES	10
CONDUCT IN THE WORKPLACE	27
CONFIDENTIALITY OF INFORMATION	8
DISCIPLINARY ACTION POLICY	27
DRESS CODE	17
DRUG FREE WORKPLACE	31
DRUG TESTING	7
EARNING VACATION DURING LOA	19
EMPLOYEE ENTRANCE	20
EMPLOYEE PARKING	20
EMPLOYMENT AT WILL	5
EMPLOYMENT VERIFICATION	8
ETHICS POLICY	33
FAMILY & MEDICAL CARE LEAVE POLICY (F.M.L.A.)	23
FIRE PREVENTION	16
GENERAL EMPLOYEE RELATIONS PHILOSOPHY	4
HARASSMENT FREE WORKPLACE	31
HAZARDOUS MATERIAL	16
HOLIDAYS	20
HOURS OF WORK	11
HOUSEKEEPING	17
INITIATION PERIOD	30
JOB RESPONSIBILITIES	5
JURY DUTY LEAVE OF ABSENCE	21
LACTATION BREAKS	22
LEAVE OF ABSENCE	21
LOCKERS	21
MATERNITY LEAVE OF ABSENCE (PREGNANCY RELATED ABSENCES)	22
MEAL PERIODS	12
MEDICAL LEAVE (F.M.L.A.)	23
MILITARY LEAVE OF ABSENCE	21
MEAL PERIODS	12
NEW EMPLOYEES	7
NON-DISCRIMINATION POLICY	6
OPEN DOOR POLICY	30
OUTSIDE EMPLOYMENT	8
OVERTIME	11
PAY IN LIEU OF VACATION	19
PAYDAYS	12
PAYROLL	12
PERSONAL APPEARANCE, Demeanor & HOUSEKEEPING	17
PERSONAL EQUIPMENT, LOCKERS & LOCKS	21
PERSONAL LEAVE	22
POWERED LIFT OPERATOR IDENTIFICATION	11
PREGNANCY RELATED ABSENCES	22
RECREATIONAL ACTIVITIES	16
REFERENCES	8

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

SAFE HARBOR NOTICE	13
SCHEDULING VACATION	19
SECURITY	11
SEVERANCE PAY	9
SMOKE FREE WORKPLACE	11
SOLICITATION	7
TAXES & DEDUCTIONS	12
TELEPHONES	9
TERMINATION OF EMPLOYMENT	9
UNION FREE WORKPLACE	6
VACATION ACCRUAL	18
VACATION PAY AT TERMINATION	19
VACATION PAY IN ADVANCE	19
VACATION TIME	18
VERIFICATION OF EMPLOYMENT	8
WORK HOURS	11
WORK WEEK	11
WORKERS COMPENSATION	15
WORKPLACE SEARCHES	9

**ABOUT THIS MANUAL**

January 2021

This manual is intended as a guide for employees. Its purpose is to describe key personnel policies, procedures, and guidelines. It will familiarize you with how our Company handles general administrative issues and how generally we do things here at TKO. You will find it to your advantage to read this entire manual promptly so that you will have a complete understanding of the material covered.

Please understand that this manual merely highlights Company policies, practices, and benefits and is not intended and cannot be construed as a legal document nor used for strict, or governing, interpretations of the policies or benefits which are described.

This manual is not an employment contract or any other form or kind of a contract and does not guarantee any fixed term or conditions of employment. The Company and/or its plan administrators reserve the right to amend the contents of this manual without prior notification. Any reference to statutes or other government regulations is subject to the actual provisions of such laws and regulations and changes therein after the date of this manual.

If you should have any questions regarding the materials covered in this manual, you should contact your supervisor or a member of the facility Human Resources Department. We will be happy to assist you in every way possible.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**STATEMENT OF GENERAL EMPLOYEE RELATIONS PHILOSOPHY**

- Ensures equal employment opportunity without discrimination on the basis of age, alien status, sex – except where sex is a bona fide occupational qualification, race, religion, national origin, disability, veteran status or sexual orientation.
- Provide training for each employee in order that job assignments are fully understood and performed in the most productive and efficient manner.
- Provide educational assistance for self-development and opportunities for promotion within the Company whenever possible.
- Place employees, whenever possible, in job assignments which best suit individual interests and skills.
- Maintain a benefit program to assist employees and their families in the event of sickness, or accident.
- Encourage employees to discuss freely with management any suggested improvements in working conditions or procedures.
- Attempt to settle all problems promptly by use of the procedures outlined in this manual.
- Maintain a high level of awareness and interest in safe working conditions.
- Make a fair profit in order to safeguard the welfare and job security of all.

### **EMPLOYMENT AT WILL**

It is the policy of the Company that the employment relationship be based entirely on the mutual consent of both the employer and the employee. All employees are hired on an at-will basis. This means that just as you are free to resign at any time, the Company reserves the right to terminate your employment at any time, with or without cause and with or without prior notice. It is the Company's further policy that neither party should continue the relationship if at any time it no longer proves to be mutually advantageous or satisfying. The company does not guarantee permanent employment of any employee or employment for any specific period of time and cannot guarantee that you will consider its employment decisions to be the correct ones. The Company reserves the right to terminate the employment relationship at any time. Nothing in this handbook is meant to change the at-will nature of the employment relationship. No representative of the Company has the authority to make any assurances to the contrary and you should not rely on any such assurances.

In the unlikely event cutbacks become necessary, management will determine which positions must be terminated. Management will select employees for layoff at its sole discretion.

### **JOB RESPONSIBILITIES**

During your introductory period, your supervisor will explain your job responsibilities and will describe the performance standards expected of you along with the measurement tools utilized. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, assist with other work or move to an alternate department when necessary or important to the operation of the facility or the Company. Your cooperation and assistance in performing such alternate work is expected and appreciated.

The Company reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions or to assign additional job responsibilities.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**UNION FREE WORKPLACE - A WORD ABOUT UNIONS**

We have attempted to create a productive and comfortable working environment here at TKO. Each employee is treated as an individual. We understand and appreciate your contribution to the success of our Company and are committed to maintaining a close, professional relationship with each of you. We want you to feel free to talk directly with us and we want to be able to talk directly with you. We hope to keep it that way.

TKO Motorsports strongly believes that individual consideration in employee-supervisor relationships provides the best climate for your maximum development, teamwork and the attainment of your goals and those of the Company. We do not believe that representation of our employees by an outside entity would be in the best interest of either the employee or the Company. We have enthusiastically accepted our responsibility to provide you with good working conditions, good wages and benefits, fair treatment, and the personal respect which is rightfully yours. All this is a part of your job with the Company and need not be “purchased” from any union. The dues, initiation fees, fines, assessments, and other costs imposed by the unions upon their members are unnecessary burdens. Threats of strikes and workplace conflict are divisive.

We sincerely believe that the intervention of outside entities would have no beneficial effect on the relationship between us. In fact, such intervention could hinder the growth and progress of all who work at TKO. We know that you want to express your concerns, suggestions, and comments to us so that we can understand each other better. You have that opportunity here at TKO. This can be done without having a third party cut off the direct communication between you and TKO. Here you can speak up yourself – directly to us. We encourage this, will listen, and we will do our best to give a prompt and responsive reply.

**NON-DISCRIMINATION POLICY**

TKO Motorsports is an Affirmative Action and Equal Opportunity Employer. It is the policy of TKO Motorsports LLC, to ensure equal employment opportunity for all persons without discrimination on the basis of age, sex, except where sex is a bona fide occupational qualification, race, religion, national origin, disability, veteran status, sexual orientation, marital status, status as a victim of domestic violence, or any other basis required by federal, state or local law.

This policy of equal employment opportunity (EEO) applies to all employment practices including, but not limited to, recruiting, hiring, promotion, training, and compensation.

Employees who have EEO related questions, problems, or complaints should first communicate their concerns to their immediate supervisor. If the supervisor is the discriminating party, or the employee is dissatisfied with the supervisor’s handling of the matter, the employee is to contact the Human Resources Department. The Human Resources Department is responsible for investigating complaints and taking appropriate responsive action.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**  
**DRUG TESTING**

TKO Motorsports, LLC. has a vital interest in maintaining safe, healthful and efficient working conditions for its customers and employees. Using or being under the influence of drugs and/or alcohol on the job may pose serious safety and health risks not only for the user, but to the public and all those who work with the user. The possession, use or sale of an illegal drug or controlled substance may also pose unacceptable risks to safe, healthful and efficient operations.

The Company is committed to providing a safe work environment for its employees. Supervisors are responsible for ensuring the safety of their work group. As part of fulfilling that responsibility, the Company reserves the right to require as a condition of continued employment that employees submit to a company-paid medical examination if, in management's opinion, an employee has exhibited behavior which calls into question the employee's fitness for performing the duties of his or her position. Any member of management may immediately remove an employee from the job that indicates he or she may be in a condition unfit to safely perform his or her duties. In making such determinations, management will consider the safety of the employee as well as the safety of the employee's co-workers. Employees who appear to be under any influence of drugs or alcohol during work hours or on the Company premises may be required to submit to appropriate tests to confirm or rule out the presence of such drugs or alcohol. Refusal to permit such tests may be grounds for immediate dismissal.

Additionally, the Company reserves the right to require employees to submit to a medical examination in the event that you are in anyway involved in an industrial accident. The Company may also require you to submit to a medical exam when you return from a medical leave of absence or have been off work due to an industrial injury, illness or incident.

**NEW EMPLOYEES**

The first three (3) months of continuous employment with TKO, during which an employee learns his/her responsibilities and gets acquainted with his/her surroundings, department leadership and fellow employees is considered an "Initiation Period." The employee's performance may be reviewed at non-specific intervals during this period, and completion of the "Initiation Period" does not entitle any employee to remain employed. Both the employee and the employer are free, at any time, with or without advance notice and with or without "cause," to end the employment relationship.

**ANTI-SOLICITATION**

It is important that employees are neither disturbed nor distracted by activities or conduct not related to Company operations. Because each employee's work deserves their full attention during the scheduled working time, distribution of written or printed materials, vending, selling, soliciting, or collecting contributions for any purpose on the premises is prohibited, unless approved in advance by facility management. For purposes of this policy, working time includes any period during the work day when you are, or should be, performing job related tasks. While management has no desire to control employee activity during breaks or lunch, it is our feeling that selling or collecting money for any purpose or distributing non-company literature is a distraction and such activity is prohibited.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**  
**OUTSIDE EMPLOYMENT**

The Company has no objection to your working at another job so long as it does not adversely affect the Company, your attendance and punctuality, or job performance in any way. All employees must be particularly cautious to avoid any conflict of interest.

Guidelines to outside employment are as follows:

1. Notify your supervisor or manager in writing of your outside employment status.
2. Your working hours on the second job must not conflict with the hours you have agreed to work at TKO.
3. Your job performance must continue on an acceptable level.
4. You may not conduct business pertaining to your "outside" job during your working hours at TKO.

**REFERENCES & VERIFICATION OF EMPLOYMENT**

In the event an attempt is made to confirm an employee's work history, performance record, wages, employment history, or any other information related to a person's employment with the Company, the contact is to be immediately directed to the Human Resources Department. Only a designated representative of the Human Resources Department is authorized to release information regarding current or former employees.

**CONFIDENTIALITY OF INFORMATION**

All Company employees are required to sign a confidentiality agreement as a condition of their employment. All employees, past and present, must comply with the terms of their confidentiality agreements.

All information about the Company's internal systems, processes, products, and procedures is considered confidential. As an employee, you may regularly acquire confidential and proprietary information about the Company, its properties, its suppliers, its trade secrets, and its clients. Each employee is responsible for safeguarding confidential information obtained in connection with his/her employment. Additionally, at no time may copies of Company documents be removed from the premises without the knowledge and written permission of facility management.

If you are ever unclear as to the extent of permissible communication on any project to which you are assigned, immediately consult a member of management for clarification.

**WORKPLACE SEARCHES**

In order to safeguard the property of our employees, our customers, and the Company, and to help prevent the possession, use and sale of illegal substances on Company premises, the Company reserves the right to question employees and all other personnel entering and leaving our premises, and to inspect any packages, parcels, purses, handbags, briefcases, lunchboxes or any other possessions or articles carried to and from the Company's property. In addition, the Company reserves the right to search any office, desk, file, locker, computer memory device, or any other areas on our premises. All are issued for the use of the employees only during their employment. Inspections may be conducted at any time at the discretion of the Company.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

In conjunction with implementing this policy, the Company has posted notices in conspicuous places throughout our facilities informing all employees, customers, visitors, and all other persons of the Company's policy and right to question individuals and conduct package inspections.

Persons entering the premises who refuse to cooperate in an inspection pursuant to this policy will not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as employees who after the inspection are believed to be in possession of stolen property or who is found to be in violation of the Drug & Alcohol policy, will be subject to disciplinary action up to and including discharge.

### **TERMINATION OF EMPLOYMENT**

As mentioned elsewhere in this handbook, all employment relationships with the Company are on an at-will basis; that is, either party can terminate the employment relationship, with or without notice and with or without "cause" at any time. Thus, although the Company hopes our relationships with employees are long term and mutually rewarding, we reserve the right to terminate the employment relationship at any time.

The Company requests that employees desiring to terminate their employment relationship with the Company notify us in writing at least two weeks in advance of their intended termination date. Proper notice allows the Company sufficient time to calculate all accrued monies to which you may be entitled and to include these monies in your final paycheck.

### **SEVERANCE PAY**

The Company has not had and does not have any policy or commitment to provide severance pay upon termination of employment, and no employee has any entitlement or right to, or should have any expectation of, receiving severance pay. In certain instances of Company initiated termination, the Company may elect to offer limited severance. Whether to do so, and the amount and conditions in respect thereof, have been and will continue to be exclusively in the Company's sole and unfettered discretion, after considering all circumstances on a 'case by case' basis.

### **TELEPHONES**

In order to avoid congestion on our telephone network and to maintain an efficient work environment, you are requested to limit personal telephone calls, incoming and outgoing, to emergencies.

## **BLACKBERRY, CELLULAR AND SMART PHONES**

This policy outlines the use of personal cell phones at work, including special issues related to camera phones, the personal use of business cell phones and the safe use of cell phones by employees while driving.

### **1. Personal Cellular or Smart Phones**

While at work employees are expected to exercise the same discretion in using personal cellular or smart phones as is expected for the use of company phones. Excessive personal calls during the workday, regardless of the phone used, can interfere with employee productivity and be distracting to others. Personal calls during work times are limited to emergencies only, and no cellular or smart phone use is permitted while working on the warehouse floor. Employees are therefore required to make any other personal calls on non-work time and to ensure that friends and family members are aware of the company's policy. Flexibility will be provided in circumstances demanding immediate attention. The company will not be liable for the loss of personal cellular or smart phones brought into the workplace.

### **2. Camera and Video Phones**

The company prohibits (except when instructed by management) employee use of cameras in the workplace, including camera phones, as a preventative step believed necessary to secure employee privacy, trade secrets and other business information.

### **3. Personal Use of Company-Provided Blackberry and Cellular Phones**

Where job or business needs demand immediate access to an employee the company may issue a business-owned cell phone or Blackberry to an employee for work-related communications. To protect the employee from incurring a tax liability for the personal use of this equipment, such phones are to be used for business reasons only. Employees in possession of company equipment such as cellular phones and Blackberries are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the phone for return or inspection. Employees unable to present the phone in good working condition within the time period requested (for example, 24 hours) may be expected to bear the cost of a replacement or repair. Employees who transfer their personal cell phone number to their company cell phone or Blackberry will not be able to keep this number upon termination of employment with the Company. Employees who separate from employment with outstanding debts for equipment loss, damage or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss or damage.

### **4. Safety Issues for Cellular Phone Use**

Employees whose job responsibilities include regular or occasional driving and who are issued a cell phone for business use are expected to refrain from using their phone while driving. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, employees are strongly encouraged to pull off to the side of the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is unavoidable and pulling over is not an option, employees are expected to keep the call short, use hands-free options if available, refrain from discussion of complicated or emotional discussions and keep their eyes on the road. Special care should be taken in situations where there is traffic, inclement weather or the employee is driving in an unfamiliar area. In situations where job responsibilities include regular driving and accepting of business calls, hands-free equipment will be provided to facilitate the provisions of this policy. Employees whose job responsibilities do not specifically include driving as an essential function, but who are issued a cell phone for business use, are also expected to abide by the provisions above. Under no circumstances are employees allowed to place themselves at risk to fulfill business needs. Employees who are charged with traffic violations resulting from the use of their phone while driving will be solely responsible for all liabilities that result from such actions. Violations of this policy will be subject to the highest forms of discipline, including termination.

### **5. Special Responsibilities for Managerial Staff**

As with any policy, management and supervisory employees are expected to serve as role models for proper compliance with the provisions above and are encouraged to regularly remind employees of their responsibilities in complying with this policy.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**  
**SMOKE FREE WORKPLACE**

The Company is committed to providing a healthy work environment for all employees, and has adopted a smoke free policy. Smoking is not permitted in the building or entrance to the building. Smoking is permitted only in designated areas across from the building.

**SECURITY AND BUILDING ACCESS**

Employees are schedule to enter and exit the building, during scheduled shift hours, via the front entrance.

All visitors must enter through the main entrance. The visitor must be escorted at all times by an authorized employee.

Extended visitors in the workplace by individuals not having official business at TKO Motorsports distracts employees and fellow workers from their official responsibilities. Because of safety and security reasons, we ask that you discourage family and friends from visiting you at work. The responsibility for the safety of personal visitors lies with TKO Motorsports. Visits by friends, children, or other relatives at the employee's work site are to be kept to casual/ infrequent visits of short duration (10 minutes or less). It is inappropriate, other than in a valid family emergency, to bring a child to the workplace. In labor-intensive areas, where machinery exists, no personal visitors are allowed.

Employees are issued individual access to the facility based on job responsibilities and shift assignment. Access authorization may be revoked at any time at the discretion of management.

**POWERED LIFT OPERATOR ID**

Employees who are operating any type of powered industrial equipment must have their Lift Operator's Identification on their person at all times while operating the powered lift equipment.

**WORK WEEK AND WORK HOURS**

The regularly scheduled work week is forty (40) hours for all full-time employees, and not more than twenty-five (25) hours for all part-time employees. Shift starting and ending times vary, depending on specific job assignment, workload, position and department assignment.

**OVERTIME**

On occasion and based on workload, additional work hours may be scheduled. When these additional hours are scheduled they become required, and are a mandatory condition of employment.

All non-exempt employees are eligible for overtime pay for all hours worked in excess of forty (40) hours in the work week, provided that those additional hours of work were specifically authorized in advance by a member of management.

Non-exempt employees who are eligible for overtime pay will be compensated at one and one-half times (1 ½) the regular rate of pay for overtime hours actually worked. Paid holidays and paid time

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

off related to personal time, sick time, vacation time, bereavement, disability leave or jury duty are not counted as hours worked in determining overtime compensation.

A non-exempt employee who is requested to work on a Company recognized paid holiday may receive two times (2) the regular rate of pay for overtime hours actually worked on such a holiday in addition to their regular straight time rate of pay for the holiday itself. If hours worked on the holiday are not overtime hours, then the employee will be paid one time (1) the regular rate of pay for hours worked, in addition to their regular straight time rate of pay for the holiday itself.

Any non-exempt employee requested to work on a Sunday, where that day is his/her sixth or seventh day of work in that work week, will be paid double his/her regular rate of pay for the hours actually worked on that day. Additionally, any non-exempt employee requested to work a seventh day, regardless of whether that day falls on a Sunday will be paid double his/her regular rate of pay for the hours actually worked on that day. If, however, work performed on a Sunday is part of the regularly scheduled full time or part time work week, then such Sunday will not be considered a premium day and double time will not be paid.

Exempt employees are not eligible for overtime. In special cases, however, when approved by management, exempt employees may receive additional compensation for extra work on a basis which the Company will determine.

### **PAYROLL & PAYDAYS**

TKO Motorsports employees are paid on a bi-monthly pay period, the 1<sup>st</sup> and the 16<sup>th</sup> of each month.

#### **PAYROLL DEDUCTIONS**

We are required by law to deduct the following:

1. Federal Withholding Tax – Monies withheld from your earnings towards the payment of your Federal Income Tax.
  2. City and/or State Withholding Taxes – Monies withheld from your earnings towards the payment of your State and Local taxes.
  3. F.I.C.A. – Federal Insurance Contribution Act withholdings also are referred to as Social Security. TKO matches your contribution to FICA, to provide for your retirement and for your dependents in the event of your death or a disability. So when you see that FICA deduction on your pay stub, you will know that TKO has paid the same amount into your Social Security account.
- Any court ordered wage attachments will be deducted in accordance with applicable federal and state laws.
  - Other deductions such as insurance premiums, credit union savings plan deductions, 401(k) account contributions, etc. are made according to written instructions received from the individual employee.

### **MEAL PERIODS**

All full-time non-exempt employees are scheduled for a one hour (60 minute), nonpaid meal period, at or near the middle of each full-time 8 hour work shift.

## **BREAKS**

A ten (10) minute paid break is scheduled toward the middle of each (4) four hours of work.

## **BONUSES**

Any bonus, if given, shall be given entirely at the discretion of Company management.

## **SAFE HARBOR NOTICE**

It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure that you are paid properly for all time worked and that no improper deductions are made, you must record correctly all work time and review your paychecks promptly to identify and to report all errors.

REVIEW YOUR PAY STUB: We make every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections necessary. Please review your pay stub when you receive it to make sure it is correct. If you believe a mistake has occurred or if you have any questions, please use the reporting procedure outlined below.

NON-EXEMPT / HOURLY EMPLOYEES: If you are classified as a non-exempt or hourly employee, you must maintain a record of total hours you work each day. When you receive each pay check, please verify immediately that you were paid correctly for all regular and overtime hours worked each work week.

Unless you are authorized in writing by your supervisor, you should not work any hours that are not authorized. Do not start work early, finish late, work during a meal break or perform any other extra or overtime work unless you are authorized by your supervisor. Employees are prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you may perform but fail to report to your attendance taker. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including discharge.

It is a violation of the Company's policy for any employee to falsify hours worked, or to falsify another employee's hours worked. It is also a serious violation of Company policy for an employee or member of management to instruct another employee to incorrectly or falsely report hours worked or alter another employee's hours worked, or over-report hours worked. If any employee or member of management instructs you to (1) incorrectly or falsely under- or over- report your hours worked, or (2) falsely report another employee's hours worked, you should report it immediately to the Human Resources Department.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**EXEMPT EMPLOYEES:** If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for the Company. This salary will be established at the time of hire or when you become classified as an exempt employee.

While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions or increases for variations in the quantity or quality of the work you perform. Under federal and state law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary can be reduced for the following reasons [if authorized by state law and any applicable contract]:

- Full day absences for unauthorized personal reasons.
- Full day absences for unauthorized sickness or disability.
- Full day disciplinary suspensions for infractions of our written policies and procedures.
- Family and Medical Leave absences (either full or partial day absences).
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event you work less than a full week.
- Any full work week in which you do not perform any work.

Your salary may also be reduced for certain types of deductions such as your portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k). In any work week in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness or disability.
- Your absence on a day because your employer has decided to close a facility on a scheduled work day.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.

**Please note:** it is not an improper deduction to reduce an employee's accrued vacation, personal or other forms of paid time off for unauthorized full or partial day absences for personal reasons, sickness or disability.

**TO REPORT CONCERNS OR OBTAIN MORE INFORMATION:** If you have questions about deductions from your pay, please immediately contact Human Resources. If you believe you have been subject to any improper deductions or your pay does not accurately reflect your hours worked, you should immediately report the matter to your supervisor and confirm such report in writing to the Human Resources department or your supervisor. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact the Controller, Human Resources, the manager of payroll, or any other supervisor in the company with whom you feel comfortable. If you are unsure of whom to contact if you have not received a satisfactory response within five business days after reporting the incident, please immediately contact the company president. Your failure to make or confirm such report in writing will constitute a waiver of any claim you may have concerning deductions or inaccuracy in respect of your pay.

## **WORKER'S COMPENSATION**

The Company recognizes the importance of providing and maintaining a safe and hazard free environment. We ask that you strictly adhere to the regulations listed below and take all precautions to protect yourself and others from injury.

- Report immediately any unsafe conditions or safety hazards to your supervisor.
- Report immediately all emergencies, including medical, to your supervisor.

### **EMPLOYEE RESPONSIBILITIES**

1. Report the injury, no matter how insignificant, to your supervisor immediately. Employer notification is required.
2. If medical attention is required beyond basic first aid, you will be referred to the Company's current medical provider.

### **EMPLOYER RESPONSIBILITIES**

1. Ensure that the employee receives immediate first aid and/or medical attention.
2. Provide access to a medical provider for treatment.
3. File all necessary forms and reports with State and Federal agencies related to Worker's Compensation.

In the event of a work related accident or incident, the Company will administer Worker's Compensation according to the laws of this state.

### **ACCIDENTS ON THE JOB**

1. Do not move an individual who appear to be ill or injured unless the individual is in a position where it is likely that greater harm could occur if they are not moved.
2. Immediately notify your supervisor, or other member of management, and call Emergency Services (911) when warranted.
3. Notify a member of Human Resources who will take the appropriate actions up to and including notification of family members as warranted and approved by the injured worker.
4. When possible, a Company employee should remain with the injured worker until Emergency Service personnel are on the scene.
5. In the event of Emergency Service personnel transport to a medical facility, a Company representative must accompany the injured worker.
6. After the injured worker is cared for, a written incident and investigation report must be obtained by Human Resources. Information will be obtained from the employee's Supervisor or Manager and any other witnesses having knowledge of the incident, including names and contact numbers.
7. Falsification of reports will result in disciplinary action up to and including termination.

## **RECREATIONAL ACTIVITIES AND PROGRAMS**

The Company will not be liable for the payment of Worker's Compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work related duties.

## **HAZARDOUS MATERIAL**

The company wants you to know that its management vigorously supports the OSHA "Right to Know" and Hazard Communication Standard. It is with your health and welfare in mind that all employees dealing directly with hazardous materials will be informed and properly trained. We also support the requirement that all safety information about specific applicable materials is disseminated to those employees who deal with such materials, through the use of our Material Safety Data Sheets.

## **FIRE PREVENTION**

The following fire prevention techniques are intended to reduce the risk of fire. You are required to follow these prevention guidelines:

1. Obey NO SMOKING policy. Smoking is not permitted in the building or building entrance. Smoking is permitted only in designated areas outside the building.
2. Report immediately all problems with electrical switches, outlets, or fixtures to your Supervisor or the Maintenance Department.
3. At no time shall extension cords be placed across aisles or walkways where they might create a hazard.
4. Do not store paper or other combustibles near heat or electrical wires.
5. Do not let trash or waste materials accumulate in or around your work areas.
6. Do not let trash or waste receptacles overflow. If you notice that attention is required, notify your Supervisor or the Maintenance Department.
7. Flammable liquids must be properly identified and stored in cabinets approved by the Company for that purpose.
8. Maintain unobstructed fire exits at all times. Immediately report any maintenance issues or defects with exit doors which may interfere with or prevent exiting the building safely in the event of an emergency evacuation.
9. All firefighting equipment located inside or outside the building is for emergency use only. Do not tamper with or remove fire extinguishers. Never tamper with fire alarm boxes or pull stations.
10. Do not park near or block fire hydrants.
11. Do not part any vehicle in such a way as to block access to and/or from the building.

## **PERSONAL APPEARANCE, DEMEANOR, AND HOUSEKEEPING**

It is important that all employees maintain a neat, well groomed, professional and business-like appearance at all times. It is required that employees use discretion and wear attire appropriate to the position held. It is required that employees maintain appropriate personal hygiene and refrain from wearing items of clothing that may be considered offensive or sexually explicit. Employees are required to dress in appropriate business attire should the situation present itself, and to behave in a professional, business-like manner. Please use good judgment in your choice of work clothes and remember to conduct yourself at all times in a way that best represents you and the Company.

You are required to keep your work environment clean and orderly, ensuring confidentiality and safety at all times. Additionally, your work area must be free from objects, materials, images, postings, or other surroundings that could reasonably be found offensive to others. The Company has a legal responsibility to establish and enforce policies that maintain an environment that is not offensive to a reasonable person.

## **DRESS CODE**

Employees of TKO Motorsports are required to wear closed-toe and closed-heel shoes at all times while in the warehouse. Jeans, denim, or any type of work pant is acceptable, as are T-shirts and shorts which are no more than 1" above the knee. Clothing must be critically examined to determine appropriateness; loose clothing or frayed edges as well as decorative chains, loose jewelry or long hair may pose safety hazards when working around equipment. All safety rules must be followed as they relate to clothing and hair requirements. It is required that employees maintain appropriate personal hygiene and refrain from wearing items of clothing that may be considered offensive or sexually explicit. Any item of clothing with inappropriate messages will not be allowed. The Company reserves the right to require employees to leave and change clothing if it deems necessary.

## **BENEFITS INTRODUCTION**

The benefits programs that the Company offers are designed to enhance and add significant value to your total compensation package. This wide variety of benefits are designed to:

- Help you provide for retirement;
- Help you meet financial obligations which may result from illness, or disability;
- Help you enjoy paid time off away from the job during vacation and holidays.

The following sections briefly summarize benefit options, and does not contain every aspect of the various plans and programs. Complete benefits guides are available from the Human Resources Department.

The Company reserves the right to amend or terminate any of these programs or to require or increase employee contributions toward any benefits at its discretion. This reserved right may be exercised in the absence of financial necessity.

To qualify for the benefits described herein, you must be a full-time employee and you must submit completed enrollment documents within the time frames outlined. Part-time employees are not eligible for the benefits described herein, unless otherwise stated.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**BENEFITS AT A GLANCE**

The following summary chart is designed to show you, at a glance, what benefits are available, to whom they are available, and who pays for them. More detailed information about each benefit will be outlined during your New Hire Orientation and during Open Enrollment periods announced each year.

BENEFIT	Coverage Available For:			Cost:		
	Eligible Employee	Eligible Spouse	Eligible Dependent Family	Company Paid	Company/Employee Paid	Optional Employee Paid
Medical Insurance	<b>X</b>	<b>X</b>	<b>X</b>		<b>X</b>	
Prescription Drug Plan	<b>X</b>	<b>X</b>	<b>X</b>		<b>X</b>	
Flexible Spending Accounts	<b>X</b>					<b>X</b>

**MEDICAL BENEFITS**

TKO offers a comprehensive medical, and prescription drug program, which will provide you access to a network of local hospital, physician, medical providers, and pharmacies. The employee contributory portion of your premium is paid with before-tax dollars, meaning your cost is set aside from your paycheck before federal income or social security taxes are deducted.

**FLEXIBLE SPENDING ACCOUNTS**

Flexible spending accounts are designed to allow you to set aside before-tax dollars to meet certain expenses that you normally pay with after-tax dollars. These expenses may include certain uncovered and uninsured medical costs and/or child care expenses.

**VACATION TIME**

Full-time employees earn one business week (5 days) vacation after one year of full-time employment. Employees are not eligible to take vacation time during the first 3 months of service (Initiation Period).

**VACATION ACCRUAL - PART-TIME EMPLOYEES**

Part-time employees are not eligible to any vacation time

**VACATION ACCRUAL - TEMPORARY EMPLOYEES**

Temporary employees are not entitled to any vacation time.

### **SCHEDULING VACATION**

Any request to schedule vacation time must be submitted as far in advance as is possible and is subject to management's approval. Although critical schedules or busy seasons may make it necessary to adjust plans, every effort will be made to honor your request. Accrued vacation hours available must be scheduled and approved for use, in advance of time off. You may use any available vacation hours to supplement hours missed in the event of lack-of-work.

### **VACATION PAY AT TERMINATION OF EMPLOYMENT**

If you separate from service, vacation hours earned will be calculated as of your departure date and compared with the amount of vacation time you have taken. If vacation time is due, appropriate compensation will be paid. If more vacation has been taken than is due, the Company will deduct the amount from your final paycheck. If your employment with the Company is terminated prior to completing 90 calendar days of continued employment, you are not entitled to any vacation pay.

### **EARNING VACATION DURING LEAVES OF ABSENCE**

Your vacation accrual ceases during a leave of absence.

### **CARRYOVER VACATION**

Employees may not accrue hours in excess of their accrual rate each employment year – there is no carryover. It is mandatory that all accrued vacation hours are used within the employment year, or they will be forfeited.

### **PAY IN LIEU OF VACATION**

Paying for unused vacation time is considered only under unusual circumstances and must be approved by executive management. You are not eligible to be paid out for carryover vacation.

### **VACATION PAY IN ADVANCE**

In order to be eligible for vacation pay in advance, you must be on vacation for a minimum of five consecutive work days. A request in writing three weeks prior to your departure must be submitted to Human Resources. Your request must include the pay periods for which you wish to be paid, and your last day of on vacation.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**HOLIDAYS**

TKO Motorsports observes the following Company recognized holidays:

New Year's Day	Labor Day	Christmas Eve
Memorial Day	Thanksgiving Day	Christmas Day
Independence Day	Day After Thanksgiving	New Year's Eve

Facility recognized holidays are updated annually to match the holiday schedule.

To qualify for holiday pay you must be in the employ of the Company for a minimum of three (3) months prior to the holiday. To be eligible for holiday pay, you must have worked your full scheduled shift immediately preceding and immediately following each holiday, you must work the full scheduled shift immediately preceding and/or immediately following your vacation date(s) in order to be eligible for holiday pay. (Example: Holiday is observed on Monday and Vacation is holiday. Pre-scheduled vacation days are not considered to be a scheduled work shift. Therefore, if you have pre-scheduled vacation prior to or immediately following a company recognized scheduled for Tuesday; you would be required to work the Friday preceding and the Tuesday following the Holiday/Vacation time off in order to be eligible for Holiday Pay.)

Should any of the aforementioned holidays fall on a Saturday, the Company, will observe the holiday on the preceding Friday. Should any of the holidays fall on a Sunday, they will be observed on the following Monday.

A non-exempt employee who is requested to work on a Company recognized paid holiday may receive two times (2) the regular rate of pay for overtime hours actually worked on such a holiday in addition to their regular straight time rate of pay for the holiday itself. If hours worked on the holiday are not overtime hours, then the employee will be paid one time (1) the regular rate of pay for hours worked, in addition to their regular straight time rate of pay for the holiday itself.

**EMPLOYEE PARKING**

An employee parking lot is provided for your use. Parking is on a first-come, first-served basis with no assigned parking locations. Keep in mind that you can be ticketed or towed if you park in a restricted handicapped parking spot without the proper placard. No liability is assumed by the Company for loss or damage while your vehicle is in the parking lot.

**EMPLOYEE ENTRANCE**

It is requested that employees use the front entrance when reporting for work as well as when leaving.

**BREAK ROOM**

A convenient, clean, and modern facility is available to all employees throughout the day for meal and rest periods.

## **PERSONAL EQUIPMENT AND LOCKERS**

Employees are responsible for safeguarding all personal belongings and possessions by locking them in an adequate container. The Company provides lockers in each of the restrooms located in the warehouse area for those employees who wish to use them. The following requirements must be adhered to by all employees utilizing the lockers:

1. It is the employee's responsibility to maintain their locker in a clean and neat manner.
2. The Company reserves the right to inspect any locker, and its contents, at any time (See "Workplace Searches" Policy).
3. The Company is not liable for reimbursing employees in the event of loss, damage, or theft.

## **LEAVE OF ABSENCE**

**The following outline includes all Company recognized Leave of Absences**

### **Bereavement Leave:**

Non-exempt employees who have completed at least three (3) months of service will be compensated at their regular straight time hourly rate for up to three (3) days due to a death in the immediate family. "Immediate family" includes the employee's spouse, children (natural, step or adopted), grandparents, parents (or any other persons in the status of a parent), brothers or sisters, grandchildren and such relatives of the employee's spouse.

1. Part time employees are eligible to be paid Bereavement Leave equivalent to their full base rate of pay only for the number of hours scheduled during the work day that fall on a day designated as Bereavement Leave.
2. Exempt employees are expected to take bereavement time off with discretion.
3. Compensation for such bereavement time beginning with the date of death will be only for the days which fall within the employees regularly scheduled work week.

### **Military Leave:**

If you are called into active military service or you enlist in the uniformed services, you will be eligible to receive an unpaid military leave of absence. 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. Provided your absence does not exceed applicable statutory limitations, you will retain reemployment right and accrue seniority and benefits in accordance with applicable federal and state laws. Please ask management for further information about your eligibility for Military Leave.

If you are required to attend yearly Reserves or National Guard duty, you can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). You should give management as much advance notice of your need for military leave as possible so that we can maintain proper coverage while you are away.

### **Jury Duty Leave:**

An employee with three (3) months or more of service will continue to be paid their full base rate during the period of such jury duty leave. Proof of call to jury duty must be provided to management.

1. Full time employees will be excused from work with pay for up to two weeks, provided that documentation of jury duty and service as a juror is submitted on a timely basis.
2. Part time employees are eligible to be paid equivalent to their full base rate of pay only for the number of hours scheduled during the work day that fall on a day designated as Jury Duty leave.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

3. Exempt employees will be paid their full salary for any work week interrupted by jury service.
4. An employee receiving pay under this provision must assign all compensation received for jury duty to the Company.

**Lactation Breaks:**

The Company provides to employees who are nursing a break time during the work day in order to express breast milk. Employees who are nursing may take advantage of this break time policy for up to three years after the birth of the employee's child. In order for the Company to provide you breaks and a private location for lactation breaks, please inform your Supervisor and the Human Resources Department of your desire to take such breaks. No employee will be subject to discrimination for exercising rights under this policy.

**Pregnancy Related Absences:**

Pregnancy related absences are treated as any other disability.

**Worker's Compensation:**

1. Injuries sustained while performing one's job may be covered by Worker's Compensation. It is essential that such injuries are reported immediately and necessary claim forms prepared and submitted promptly. Please see "Worker's Compensation" policy for details.
2. While an employee is out on Worker's Compensation leave, continuation of base earnings may integrate with compensable pay received as a result of the job related injury.
3. Depending on state laws governing Worker's Compensation, there is generally an elimination period before which benefit entitlement begins.
4. Leave under Worker's Compensation is coordinated with the Family Medical leave Act of 1993, as amended.

**Personal Leave:**

Personal leave may be granted within the sole discretion of the Company and shall not exceed a maximum of 30 business days. Employees must complete the request for leave form in advance of said leave, and receive approval from facility management. A personal leave will be unpaid unless the employee has accrued vacation to apply toward the leave.

- NOTIFICATION: Employees are required, when leave is foreseeable, to provide 30 days advance leave notice.
- CONTINUATION OF BENEFITS: Employees continue to be covered for health benefits for the duration of their personal leave. Employees on personal leave are required to continue to make their contributions towards their employee benefits for the duration of the leave.
- VACATION TIME: Employees must utilize accrued vacation time prior to any request for unpaid personal leave being considered for approval. Vacation time accrual will cease during an unpaid personal leave.

**All accrued Vacation must be utilized prior to any request for unpaid time off being considered for approval. (Exception: Some Military LOA that falls under USERRA.)**

**All Vacation and accrual ceases during a leave of absence.**

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**FAMILY AND MEDICAL LEAVE**

The Family and Medical Leave Act (“FMLA”) provides eligible employees with up to 12 work-weeks of unpaid leave during a 12-month period for certain specified family and medical reasons. During this leave, an eligible employee is entitled to continue group health insurance coverage. At the conclusion of the leave, subject to some exceptions, an eligible employee generally has a right to be restored to the same or an equivalent position.

**ELIGIBILITY**

To be eligible for FMLA leave, an employee must have been employed by TKO:

- A. for at least 12 months;
- B. for at least 1250 hours during the 12-month period immediately preceding the commencement of the leave;
- C. be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

**REASONS FOR FMLA LEAVE**

FMLA leave may be taken for any one, or for a combination of, the following reasons:

- A. The birth of the employee’s child or to care for the newborn child;
- B. The placement of a child with the employee for adoption or foster care or to care for the newly placed child;
- C. To care for the employee’s spouse, child or parent (not in-law) with a serious health condition;
- D. The employee’s own serious health condition that makes the employee unable to perform one or more of the essential functions of his or her own job;
- E. Any qualifying exigency arising out of the fact that an employee’s spouse, son, daughter or parent is a covered military member on active duty or has been notified of an impending call or order to active duty status in the National Guard or Reserves in support of contingency operation.

A “serious health condition” is an illness, injury, impairment, or physical or mental condition which involves inpatient care in a hospital, hospice, or residential health 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 a single visit to a health care provider that results in a continuing regimen of treatment, or continuing supervision which does not necessarily require being actively treated or incapacity due to pregnancy, or a chronic condition. Substance abuse is included; however, absence from work because of substance abuse without treatment is not. Voluntary and cosmetic treatments are not included, unless inpatient hospital care is required. FMLA leave is not available for minor temporary illnesses such as colds, flu, earaches, upset stomachs, or ordinary headaches.

A “qualifying exigency” may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

**Additional Military Family Leave Entitlement (Injured Service Member Leave)**

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered service member is entitled to take up 26 weeks of leave during a single 12-month period to care for the service member with a serious injury or illness. Leave to care for a service member shall only be available during a single-12 month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured service member.

A “covered service member” means a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. A member of the Armed Forces would have a serious injury or illness if he/she has incurred an injury or illness in the line of duty while on active duty in the Armed Forces provided that the injury or illness may render the service member medically unfit to perform duties of the member’s office, grade, rank or rating. Effective October 28, 2009, through the enactment of H.R. 2647 (the 2010 National Defense Authorization Act), the right to take FMLA “exigency” leave has been expanded to family members of active duty service members. Previously, only family members of National Guard and Reservists were eligible for FMLA “exigency” leave. H.R. 2647 also expands the FMLA’s military “caregiver” leave to include veterans who are undergoing medical treatment, recuperation or therapy for a

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

serious injury or illness and who were members of the Armed Forces (including members of the National Guard or Reserves) at any time during the five years preceding the date of treatment, recuperation or therapy.

**HOW MUCH AND WHEN FMLA LEAVE MAY BE TAKEN**

An eligible employee may take up to 12 weeks of unpaid leave in a “rolling” 12-month period measured backward from the date an employee uses any FMLA leave.

Leave to care for a newborn or for a newly placed child must conclude within 12 months of the birth or placement of the child.

When both spouses are employed by TKO, they are together entitled to a combined total of 12 work-weeks of FMLA leave within the designated 12-month period for the birth, adoption or foster care placement of a child with the employees, for care after the birth or placement of the child, and to care for a parent (but not an in-law) with a serious health condition. Each spouse may be entitled to FMLA leave for other qualifying reasons, but not for more than a total of 12 work weeks per person.

**INTERMITTENT OR REDUCED WORK SCHEDULE LEAVE**

Intermittent leave is leave taken in separate blocks of time. A reduced work schedule leave is a leave work schedule that reduces an employee’s usual number of hours per workweek or workday.

Leave to care for a newborn or newly placed child may not be taken on an intermittent or reduced work schedule unless TKO agrees to an individual leave request, with consideration given on a case-by-case basis.

Leave because of an employee’s own serious health condition, or to care for an employee’s spouse, child or parent with a serious health condition, may be taken all at once or, where medically certified as necessary, intermittently or on a reduced leave schedule. If intermittent or reduced schedule leave is taken, the employee has a statutory obligation to make a “reasonable effort” to schedule such leave so as not to unduly disrupt the employer’s operations. When intermittent or reduced schedule leave is taken for foreseeable planned medical treatment, the employee may be transferred temporarily to an alternative position with equivalent pay and benefits for which the employee is qualified and which better accommodates recurring periods of leave.

**REQUESTS FOR FMLA LEAVE**

Employees who take FMLA leave must timely notify the Company of their need for FMLA leave by completing the TKO Request for FMLA form and submitting it to the Human Resources Department.

The following describes the content and timing of such employee notices.

**Content of Employee Notice**

To trigger FMLA leave protections, employees must inform the Human Resources Department of the need for FMLA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA leave specifically, or explaining the reasons for leave so as to allow the Company to determine that the leave is FMLA-qualifying. For example, employees might explain that:

- a medical condition renders them unable to perform the functions of their job
- they are pregnant or have been hospitalized overnight
- they or a covered family member are under the continuing care of a health care provider
- the leave is due to a qualifying exigency cause by a covered military member being on active duty or called to active duty status; or
- if the leave is for a family member, that the condition renders the family member unable to perform daily activities or that the family member is a covered service member with a serious injury or illness.

Calling in “sick,” without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to the Company’s questions to determine if absences are potentially FMLA-qualifying. If employees fail to explain the reasons for FMLA leave, the leave may be denied. When employees seek leave due to FMLA-qualifying reasons for which the Company has previously provided FMLA-protected leave, they must specifically reference the qualifying reason for the leave or the need for FMLA leave.

When leave is foreseeable for childbirth, placement of a child or planned medical treatment for the employee’s or family member’s serious health condition, the employee must provide at least 30 days advance notice, or such shorter time as is practicable (i.e., within 1 or 2 business days of learning of the need for the leave). When the timing of the leave is not foreseeable, the employee must provide notice of need for the leave as soon as is practicable (i.e., within 1 or 2 business days of learning of the need for the leave).

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

Notice may be given in person, by telephone or other means, and may be given by an employee's representative if the employee cannot do so due to a serious medical condition.

**REQUIRED DOCUMENTATION**

An employee will be required to submit medical certification from a health care provider to support a request for FMLA leave for the employee's or a family member's serious health condition. Medical Certification Statement forms are available from the Human Resources Department.

The certification must state:

- A. Date on which the condition commenced;
- B. Probable duration; and
- C. Medical facts regarding the condition for which the leave is needed.

For an employee's own medical leave, the health care provider's certification should state that the employee is unable to perform his or her job functions as detailed in the employee's job description. During such leave, periodic re-certification should be provided by the employee (approximately every 30 days). In addition, during FMLA leave the employee must provide TKO with periodic reports regarding his or her status and intent to return to work. If the employee's anticipated date of return changes, the employee must provide reasonable notice (i.e., within 5 business day) of the changed circumstances and new return to work date.

The company may, at its own expense, require a second medical opinion by an employer-designated provider. If the first and second opinions differ, a binding third opinion from a jointly selected health care provider may be sought at the company's expense.

If TKO determines that a medical certification is incomplete or insufficient, TKO is required to designate, in writing, what information is missing. The employee has seven (7) days to cure the deficiency. TKO may request a new medical certification each leave year for conditions that last longer than a year.

Before an employee returns to work from FMLA leave for the employee's own serious health condition, the employee is required to submit a fitness for duty certification from the employee's health care provider, with respect to the condition for which the leave was taken, stating that the employee is able to resume work.

When leave is requested to care for a family member with a serious health condition, certification should include an estimate of the amount of time the employee is needed to care for the immediate family member. This includes situations where a family member is unable to care for his or her basic needs or requires psychological comfort. During such leave, the company will require periodic re-certification (approximately every 30 days).

**FAILURE TO GIVE TIMELY NOTICE DOCUMENTATION**

If the need for leave was clearly foreseeable and the employee does not provide notice, leave may be delayed until 30 days after the employee provides notice.

Leave may also be denied if the appropriate medical certification is not submitted in accordance with FMLA requirements.

An employee who, without reasonable cause, fails to document the need for a leave within 15 workdays following the first day of absence may be considered to have voluntarily terminated employment. An employee who presents false documentation in support of a request for leave is subject to discharge.

**USE OF PAID AND UNPAID LEAVE**

Depending on the qualifying reason for the leave, FMLA leave may be paid or unpaid. An eligible employee who takes leave for the employee's own serious health condition may receive disability, Salary Continuation and/or workers' compensation payments during the FMLA leave.

If the employee has accrued paid leave (i.e., sick/personal days), all available personal/ sick time must be used first before unpaid leave may be taken. An employee may also choose to use any accrued vacation time before going on unpaid leave for any qualifying reason.

**SUBSTITUTE PAID LEAVE FOR UNPAID FMLA LEAVE**

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

Employees must use any accrued paid time while taking unpaid FMLA leave. The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leaves and the paid time will run concurrently with an employee's

FMLA entitlement. Leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement. Upon written request, the Company will allow employees to use accrued paid time to supplement any paid disability benefits.

**DESIGNATION OF LEAVE**

TKO will notify the employee that leave has been designated as FMLA leave. If TKO has not received medical certification or has not otherwise been able to confirm that the employee's leave qualifies as FMLA leave, the leave may be provisionally designated as FMLA leave.

**MAINTENANCE OF BENEFITS**

During FMLA leave an employee is entitled to continued group health plan coverage under the same conditions as if the employee had continued to work. To the extent that an employee's FMLA leave is paid, the employee's portion of insurance premiums that require an employee contribution will be deducted from the employee's paycheck. For any unpaid FMLA leave, the employee's portion of any required premiums must be paid in accordance with TKO's rules for unpaid leave. If the employee's payment of premiums is more than 30 days late, the employee will receive written notice that coverage will cease 15 days thereafter. If benefits are terminated for non-payment or because the employee provides notification that the employee will not return to work, benefits may be continued under COBRA, and applicable information would be provided. Any plan changes that may occur during an employee's FMLA leave will apply to the employee during and after the leave.

With respect to retirement benefits, vesting and participation dates will not be affected by FMLA leave.

Accrual of vacation time will continue during the first 4 weeks of FMLA leave, but will not continue thereafter. Any salary review that was scheduled during a leave period will be delayed if the leave is in excess of 30 days.

**RETURN FROM FMLA LEAVE**

Upon return from FMLA leave, the employee will be placed in the same position the employee held before the leave or an equivalent position with equivalent pay, benefits and other terms of employment.

An employee is entitled to reinstatement only if the employee would have continued to be employed had the FMLA leave not been taken. Thus, an employee is not entitled to reinstatement if, because of a layoff, reduction in force, or for any other reason, the employee would not be employed at the time reinstatement is sought.

**ADDITIONAL INFORMATION**

For further information or clarification about FMLA leave, please contact the Human Resource Department.

All accrued Vacation or Sick Pay hours must be utilized prior to any request for unpaid time off being considered for approval. (Exception: Some Military LOA that may fall under USERRA.)

All Vacation and Sick Pay accrual ceases during a leave of absence.

## **CONDUCT IN THE WORKPLACE AND DISCIPLINARY ACTION POLICY**

The Company wishes to promote a progressive DISCIPLINARY ACTION POLICY wherein the consistent and even-handed use of verbal warnings, written warnings and where appropriate, suspension from work is the consequence for less than acceptable performance. There is no intended or implied commitment on the part of TKO that the company will always follow any particular sequence of events prior to termination, nor does this policy in any manner modify or change the employee's status as an "at will" employee.

### **Unacceptable conduct, which is prohibited and will not be tolerated, includes but is not limited to:**

- Violation of Work Rules, Policies or Regulations.
- Unexcused and/or excessive absence from work and/or an assigned work station.
- Misuse of company time.
- Promotion of poor morale, inappropriate displays of harmful attitudes and/or prolonged general negativity.
- Substandard Quality, Productivity and/or Excessive Errors.
- Leaving company property during work hours without prior permission.
- Insubordination and/or failure to follow instructions.
- Failure to meet the requirements of the Attendance Policy.
- Failure to give proper notice of absence from work.
- Endangering the safety of self or a fellow employee, including operation of equipment without proper training and/or authorization.
- Harassment, Threatening, Profane Language and/or Willful Behavior.
- Smoking or transporting of Lighted Smoking Material inside Building.
- Encouraging violation of Work Rules.
- Theft of company and/or another's property.
- Falsifying employment records, production records, work records, time sheets, or other company records.
- Working while under the influence of alcohol and/or illegal drugs.
- Testing positive for drugs and/or alcohol pursuant to the Company Drug and Alcohol Policy.
- Any other conduct deemed unacceptable by Company management.

Such action by any employee may result in disciplinary proceedings including any of the following, in any order or no order, as deemed appropriate by management:

1. Verbal counseling and/or warning.
2. Written Warning.
3. Suspension from work.
4. Termination of Employment.

Employment is not subject to a contract of employment and is terminable on an at-will basis by you or TKO. The Company may consider an employee's job performance, prior violation of work rules, and other relevant circumstances in determining whether to counsel, warn, suspend, or discharge an employee. It is up to the employee's supervisor and the Company's management to decide whether corrective action, up to and including dismissal, is appropriate.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

## DOCUMENTATION

All Verbal Warnings, documented records of Written Warnings or Suspensions and/or requests for Termination of Employment will be initiated by the Departmental Supervisor (or designee), submitted to Human Resources for review along with all pertinent background information and all documentation, and submitted to the appropriate Departmental Manager for approval (when appropriate) prior to review with the affected employee. All such records should be documented through the use of an Employee Action form and/or an Accuracy Improvement Program (AIP) form, and will include:

1. The specific infraction or cause for discipline.
2. The specific change required of the employee (Example: improved attendance, productivity, quality, etc.)
3. The specific consequences that will result if improvement is not immediately implemented.
4. The time frame in which improvement is expected.
5. In the case of suspension, the length of time the suspension is in force including the first date of suspension and the last date of suspension.
6. The specific time and date the employee is to report back to the Department Supervisor after suspension.

## REQUIRED APPROVALS

All disciplinary documentation **must** be:

1. Signed by the Department Supervisor.
2. Signed by Human Resources.
3. Signed by the appropriate Departmental Manager, when appropriate.
4. Signed by the Employee (If employee refuses to sign, state so on documentation).
5. Made a part of the Employee's Personnel File by Human Resources.

The Company reserves the right, in its sole discretion and judgment, to determine the meaning and application of its policies and rules. The Company has the sole right to determine whether particular conduct, which may or may not be described herein, is not in the best interest of the Company or its operations and therefore warrants discipline, including termination of employment. The severity and type of discipline shall be solely determined by the Company. There is no intended or implied commitment on the part of TKO that the company will always follow any particular sequence of events prior to termination, nor does this policy in any manner modify or change the employee's status as an "at will" employee.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**ATTENDANCE POLICY**

**REPORTING POLICY**

All employees are required to be at work on time for each scheduled work day. Non-exempt employees are also required to submit weekly time sheets. When an employee will be absent from work or will be late reporting for work, it is the responsibility of that employee to contact their Supervisor or Manager prior to the start of the work shift. Messages left with the Receptionist, on voice mail or with another employee to deliver will not be acceptable.

**NO CALL – NO SHOW POLICY**

Any employee who fails to report for work and/or fails to contact their Direct Departmental Supervisor or Manager for 2 consecutively assigned work days will be considered to have voluntarily resigned their employment with TKO Motorsports, LLC. Disciplinary action may be taken by Department Leadership personnel on the first day an employee fails to make contact regarding absence from work.

**ATTENDANCE RECORDKEEPING POLICY**

Employee Attendance records will be maintained from employee time clock and/or scanning information as well as written requests for other excused types of absences. These records are located in Human Resources for use by all leadership personnel. All absences from work will be recorded based on the following guidelines:

<b>Excused Absences</b>	<b>Unexcused Absences</b>
<ul style="list-style-type: none"><li>• Medical with Supporting Documentation, submitted prior to, or at the time of returning to work.</li><li>• Time off Due to Lack of Work.</li><li>• Vacation with Advance Approval.</li><li>• Company Approved Holidays.</li><li>• Weather Emergency (Facility Discretion).</li><li>• Jury Duty with Documentation.</li><li>• Leave of Absence with Advance Approval:</li></ul>	<ul style="list-style-type: none"><li>• Any Tardy/Late or Early Out greater than <b>*two*</b> hours that has not been approved in advance will be equal to one full day unexcused absence.</li><li>• Any other absence from work not defined as “excused.”</li></ul>

NOTE: Continued progressive disciplinary steps will be triggered by any attendance violation equivalent to one full day, within 90 days of the last documented attendance policy violation. Once the sequence of progressive discipline has begun, the type of violation is interchangeable. Therefore, any attendance policy violation equivalent to one full day will result in the next step in progressive discipline being exercised.

**THREE DAY OUT POLICY**

Any employee who is absent from work for three (or more) consecutively scheduled work shifts, and who has been in compliance with the Reporting Policy outlined above, is **required** to provide Human Resources with a Medical Release to Return to Work, prior to the start of their next scheduled work shift.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**INITIATION PERIOD AND PERFORMANCE IMPROVEMENT PROGRAMS**

**INITIATION PERIOD: *NEW HIRES & RE-HIRES***

The first three (3) months of continuous employment with TKO, during which an employee learns his/her responsibilities and gets acquainted with his/her surroundings, department leadership and fellow employees is considered an INITIATION PERIOD. During this time, employees have a chance to decide whether they are and will be happy with their job, as well as the company policies and rules. Additionally, department leadership has the opportunity to determine whether employees are adequately adapting to their new job responsibilities, are able to meet productivity, quality and attendance expectations, follow directions, learn at a reasonable rate and retain what they have learned.

After completion of the three month INITIATION PERIOD, employees are scheduled for an oral performance evaluation, addressing strengths and weaknesses. If TKO Motorsports, LLC, decides to retain the individual, that employee will be advised of any improvements expected and will be given the opportunity to express any recommendations they may have to improve departmental efficiency.

Completion of either the TEMPORARY PERIOD or the INITIATION PERIOD does not entitle an employee to remain employed by TKO Motorsports, LLC. Both the employee and the employer are free, at any time, with or without advance notice and with or without "cause," to end the employment relationship.

There is no intended or implied commitment on the part of TKO that the company will always follow any particular sequence of events prior to termination, nor does this policy in any manner modify or change the employee's status as an "at will" employee.

**OPEN DOOR POLICY**

It is the policy of this Company that all employees have the right to voice their concerns, opinions and complaints.

We recognize the meaningful value and importance of full discussion in resolving misunderstandings and preserving good relations between Management and our Employees. Accordingly, we believe that the following procedure will ensure that complaints receive full consideration.

Should a condition exist which an employee feels is unsatisfactory, it is important that he/she bring it to the attention of the appropriate person in the proper manner. Normally that person is the employee's immediate Supervisor. If the Supervisor is the source of the complaint, the employee is to contact either their Department Manager or the Human Resources Manager.

**Procedure:**

The proper procedure is to discuss problems or complaints with the department supervisor. Their obligation and desire is to listen to employee input in a friendly, courteous manner and to aid in arriving at a fair solution or decision. Employees are encouraged to speak openly and thoroughly regarding any problem or complaint. Give us a chance to help work out a solution. Usually this approach will result in a fair and positive resolution. It is his/her duty and obligation to provide all employees with answers and solutions. Employees should feel free and relaxed about this request. The main concern of all management is to work with any situation until it has been resolved and to keep affected employees appropriately informed. As discussed elsewhere in this handbook, any complaints of inappropriate harassment, including sexual harassment, should be reported immediately to any level of management.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

The Open Door Policy, providing for a review by management personnel, is a safeguard against any possible inequitable treatment. All employees may therefore be assured that every effort will be made to find satisfactory resolution. Under no circumstances will an employee be penalized for presenting a good-faith complaint to any member of management.

**DRUG FREE WORKPLACE**

**The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance or alcohol is prohibited at all TKO Motorsports locations and events.**

**HARASSMENT FREE WORKPLACE**

Workplace harassment in any form is contrary to the Company's policy and will not be tolerated. Employees engaging in workplace harassment are subject to discipline which may include suspension and/or termination.

**DEFINITION OF HARASSMENT**

Harassment is unwelcomed and unwanted offensive and annoying behavior, related to age, sex, race, religion, national origin, disability, veteran status, sexual orientation, marital status, status as a victim of domestic violence, or any other characteristic protected by law, which unreasonably interferes with your work performance or creates an intimidating, hostile or offensive work environment.

**SEXUAL HARASSMENT**

While it is not easy to define precisely what types of conduct could constitute sexual harassment, examples of prohibited behavior include unwelcome sexual advances, requests for sexual favors, obscene gestures, displaying sexually graphic magazines, calendars, or posters, sending sexually explicit e-mail or voice-mail, and other verbal or physical conduct of a sexual nature, such as uninvited touching of a sexual nature or sexually-related comments. Depending upon the circumstances, the conduct can also include sexual joking, vulgar or offensive conversation or jokes, commenting about an employee's physical appearance, conversation about your own or someone else's sex life, teasing or other conduct directed toward a person because of his or her gender which is sufficiently severe or pervasive to create an unprofessional and hostile working environment. We want everyone to know that submission to unwelcome sexual conduct or any form of harassment is NOT a term or condition of your employment with TKO.

If you experience workplace harassment, you should immediately report it to your supervisor, manager, Human Resources Representative and/or any other management official of the Company with whom you feel comfortable, both orally and in writing. The Company will promptly investigate any complaint or report and take prompt action as warranted.

**DISCRIMINATION/HARASSMENT COMPLAINT PROCEDURE**

An employee who feels that he or she is the subject of prohibited discrimination or harassment should immediately report such conduct to his/her supervisor, the Human Resources Department or any other management official of the Company with whom you feel comfortable.

Additionally, any employee who observes or receives information about any behavior that is perceived as constituting harassment or discrimination that occurs on Company premises is required to promptly advise his or her supervisor and/or the Human Resources Department of the incident.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

Anonymous complaints will be investigated, although they are difficult to investigate and verify. While the Company will attempt to keep all complaints which do not reach litigation confidential, the need to disclose information is necessary in order to investigate the complaint. Disclosure of facts pertaining to the complaint will be limited to the following:

1. Person(s) who investigates or must make a decision concerning the allegations of the complaint.
2. Person(s) the complaint is filed against.
3. Person(s) who have personal knowledge regarding the incident or other relevant facts.  
(e.g. persons who observed/overheard the incident in question.)

An accurate record of the alleged objectionable behavior or conduct is necessary to resolve a complaint. Verbal reports of discrimination or harassment thereafter should be promptly reduced to writing by either the complainant or the person designated to receive the complaint and be signed by the complainant. Individuals who believe that they have been or are currently being discriminated against or harassed should maintain a record of the objectionable conduct and identify corroborating witnesses, if any.

It is the policy of the Company that employees will not be subjected to retaliation or harassment for initiating a complaint. Any employee, who harasses, discriminates or retaliates against another employee for initiating a complaint will be subject to disciplinary action up to and including termination.

Pending the outcome of an investigation, the Company may decide to take preliminary remedial action. It is not necessary that an investigation or determination be made with respect to the allegations as a prerequisite to taking such steps.

Supervisors or management personnel who receive a complaint of discrimination or harassment shall promptly notify the Human Resources Department. This notification should contain as much detail as possible regarding the alleged incident(s). Human Resources will then conduct an investigation. As required, other individuals outside the Company may be involved.

If the Company determines that unlawful discrimination or harassment has occurred, prompt disciplinary action will be taken in accordance with the circumstances involved. Any employee determined by the Company to be responsible for unlawful discrimination or harassment will be subject to appropriate disciplinary action up to and including termination.

The employee initiating the investigation, as well as the employee who is the subject of the investigation, shall be notified as to the outcome of the investigation. If you should have additional questions about the Company's policy against Discrimination and Workplace Harassment contact the Human Resources Department.

TKO MOTORSPORTS, LLC  
**COMPANY POLICIES AND PROCEDURES**

**ETHICS POLICY**

TKO Motorsports, LLC purpose for this ethics policy is to establish a culture of candor, trust and integrity in business practices. Effective ethics is a team effort involving the participation and support of every TKO employee. All employees should familiarize themselves with the ethics guidelines that follow this introduction.

The following is a summary of the Company's policy with respect to (1) conflict of interest, (2) Company property, (3) receiving corporate gifts, and (4) reporting accurate information.

**Please Note:** These guidelines are merely illustrative, not exhaustive, and the Company retains the discretion to evaluate whether, when and under what circumstances the specific conduct of any employee (including without limitation such person's actions or failure to act) justifies such discipline and discharge as the Company may determine is appropriate. Examples of such unacceptable conduct include:

**CONFLICT OF INTEREST**

Employees should avoid any situation which involves, may involve, or appear to involve a conflict between their personal interest and the interest of the Company. As in all other facets of their duties, employees dealing with customers, suppliers, contractors, competitors or any person doing or seeking to do business with the Company are to act in the best interest of the Company. Each employee shall make prompt and full disclosure in writing to their manager of any potential situation which may involve or appear to involve a conflict of interest.

**COMPANY PROPERTY**

Employees will use Company assets solely for business purposes and to advance the Company's strategic objectives. Additionally, employees should follow the guidelines below:

- Do not use Company assets in support of a personal business, consulting effort, or similar private venture, or to support the business of another Company or firm, outside fundraising activity, political activity or lobbying.
- Do not use Company assets to support any illegal or other purpose that could or may cause embarrassment to the Company or otherwise adversely affect its interests.
- Do not sell, loan, give away or dispose of Company property without proper written authorization.
- Do not sell or resell products/promotional items.
- When unsure of what constitutes appropriate use of Company's assets, see advice from facility management.

**REPORTING ACCURATE INFORMATION**

Media contact and all other public discussion and disclosure about the Company and/or its products or services are to be conducted only through spokespersons authorized in writing by the Company. The Company competes by fairly and accurately emphasizing the merits of its products and services, not by disparaging competitors or their products or services.