

Team Member Handbook

"Moments of Magic!" be moments of Magic!"

May all your customents of Magic!" be "Moments of Magic!" how all your moments of Magic!" may all your of Magic!" how all your of Magic!" how all your of Magic!"

Revised as of 1-5-2012 702-795-2000 carterpowersports.com 6275 South Decatur LV NV 89118



WELCOME TO CARTER POWERSPORTS

Carter Powersports has been an icon in the Las Vegas valley for over 30 years. The success of the store is a result of hard work and dedication to an ideal that has been at the heart of the Carter family.

As a member of our team you will be presented with a very unique opportunity. Not only are you able to work in an exciting industry but also work along side professional managers with years of industry experience. These managers can help you develop skills and habits that will not only help you grow in your position but also serve you the rest of your life.

The following information will help you become familiar with the store policies, procedures and benefits. By adhering to the guidelines set out in this book you will succeed in making a smooth transition into the work environment here at the store. Please feel free to talk with your manager concerning any questions you may have about the material contained within this handbook.

I want to personally welcome you aboard as a team member and look forward to working with you. By building a dynamic team we can create a fun, exciting and profitable experience for our customers, our store and yourself.



Benefits

It is our goal to hire and keep the best Team Members. Therefore, we offer these extra benefits.

Athletic Club Memberships After you have been with us for twelve (12) months we'll help pay for your membership to the LV Athletic Club. Once you sign up and pay for the plan of your choice and have written documentation, you will be reimbursed for \$75. See General Manager for pre-approval.

BYOB

Our success is determined by the efforts of our Team Members. We encourage and reward those efforts with our version of profit-sharing. We call it BYOB (Build Your Own Bonus)! Much of our earnings must be used to pay taxes and for continuous expansion of our company. After that, a percentage is dedicated to a lump sum to be split among our Team Members. We use the fiscal year of October 1 to September 30 to calculate the dollar value of BYOB and present the Bonus Checks in December

Managers get a pre-determined share to split. Our Team Members share under these rules:

- 1. To participate, you must be on the payroll full-time as of January 1.
- 2. The formula to compute individual shares is based on seniority.
- 3. No 401K matching funds will be provided on this payment.
- 4. Team Members in good standing as of check distribution are eligible.
- 5. Federal taxes must be deducted from your Bonus
- 6. We reserve the right to modify or terminate the program at any time.

Carter Cash (Store Dollars)

Team Members are occasionally surprised with Carter Cash for going the extra mile or being an outstanding employee. These Dollars are good towards your purchases at Carter Powersports.

Cash Spiffs

You can earn extra cash for...

Finding good used bikes, if we like it & buy it...you get \$50!

Finding good full time employees, if we hire & keep someone you recruit... you get \$100 after 90 days.

Recommending VIP Priority Maintenance to our customers, if they buy...you get \$25!

Recommending a cost saving idea, if it works...you get 50% of the 1st months savings.

See any Manager for details.

Direct Deposit

We will pay the fees to automatically deposit your paycheck to your account If you desire.

401K

After one (1) year of service, full time permanent Team Members are eligible to join our 401K program. Entry dates are July 1 and January 1. You may choose to contribute 1% to 15%. The government puts an annual cap on the amount you may contribute. The Company will match 50% of the first 4% of pay you contribute to the plan through salary deferral. Company contributions may change from year to year. You are 100% vested in your contributions immediately and vested in Carter Powersports' contributions according to the following schedule:

Years	Vesting %
1 Yr	20%
2 Yrs	40%
3 Yrs	60%
4 Yrs	80%
5 Yrs	100%

You may invest your contributions and Carter Powersports' in any one or more of several different accounts through Principal Financial Group who administers the plan. 100% of all administration expenses will be paid by CP. See the Admin Office for more information.

Your ideas can pay off. If you have a suggestion you feel could save us time and/or money, put it in the Suggestion Box in our Break Room. All suggestions are reviewed on a regular basis. Your suggestions may pay off with a bonus.

Insurance: Health, Life & Dental

After the 90 day probationary period, a full time permanent Team Member will receive insurance benefits starting the 1st day of the following month if he/she elects to participate. It includes health, life and dental insurance. Insurance is paid partially by the company and partially by the Team Member. If the Team Member prefers family coverage the additional amount is paid by the Team Member. See our Operations Manager for current rates for group insurance.

Parties

We occasionally sponsor in-store and off-site parties! When we are done serving customers food, you are welcome to eat too. And of course, we expect Team Members to always represent our Company in an appropriate manner.

Parts and Accessories Discount

Any part or accessory normally stocked by Carter Powersports may be purchased by a Team Member for his or her own personal use at cost plus 20%. Anything that must be ordered, or sent for may be purchased at cost plus 20% plus all ordering and shipping costs. This is on a cash basis only, special orders must be paid in full before the order is placed. Anything that is charged to a Team Member's account needs Manager approval, will be at retail price and will be deducted from the Team Member's next payroll check.

Parts must be for employee's personal vehicle only.

Self Improvement Classes

After you've been with us for twelve (12) months we will pay for your education. Classes must be preapproved by our General Manager. You will be reimbursed after you have successfully completed the class and have written documentation. Get an Education Reimbursement Form from the Admin Office.

Service Labor Rate

Labor will be at normal shop rate for Team Member's vehicles.

See our Service Manager for special rates on major repairs.

Team Member of the Quarter

We honor and reward a Team Member of the Quarter based on this criteria:

- 1. Must be employed by Carter Powersports for at least six (6) consecutive months.
- 2. Must have a positive attitude towards customers, fellow employees and the dealership.
- 3. Must have excellent attendance, personal appearance, congeniality, and friendliness at work and at company functions.
- 4. Must perform service above and beyond the call of duty and be willing to work outside job description. Must possess a high degree of motivation, creativity and personal commitment.

Managers will elect a Team Member of the Quarter at the end of the quarter (March, June, September, December).

The recipient will be awarded \$100 cash, 25 "Dave Dollars", a personalized plaque and a covered parking space for the quarter. If performance merits, a Team Member may receive this award in two or more consecutive quarters.

Vehicle Discount

After a 90 day probationary period, a Team Member may purchase, for her/his own use, a used vehicle at cost plus 10% (minimum of cost plus \$100.00), or a new vehicle at cost plus 5% (minimum of cost plus \$100.00).

Our General Manager has the right to refuse a sale or adjust the price if the unit is hard to get, or other circumstances exist.

A Team Member may purchase one vehicle every six months.

Abuse of employee discounts may be grounds for termination.

Company Meetings

It is imperative that all Team Members be adequately informed of our various activities. It is often necessary to disburse information to all personnel quickly and to have training sessions on Customer service, new products, policies, etc., so we have frequent meetings of personnel.

One-on-One Meetings

Managers and other designated personnel will meet weekly, at specified times to discuss plans and policies for the overall operation of the business.

Parts and Service Department Meetings

Meetings at the regular times as required by their Manager.

Sales Department Meetings

Meetings will be held weekly, before hours as specified by the Sales Managers.

All Staff Quarterly Meetings

Meetings of all the staff are held as needed, normally quarterly on the first Friday of the first month of each quarter. Additional meetings are scheduled as needed. Attendance is mandatory at our Quarterly Meetings as we announce the Team Member of the Quarter and conduct a safety training that is required by Federal law.

Suggestions

Any suggestions you have for improvement of our policies, methods, and operations are invited and should be submitted to a Manager or placed in the suggestions box in Break Room. Suggestions may be anonymous.

2002 EOQ Quote

2002 EOQ Quote

Ideas are a dime a dozen.

Ideas are a dime them

People who put them

People who priceless.

Into action are priceless.

Into action are priceless.

Into action are priceless.

The quality of a man's life is in direct proportion to his commitment to excellence, regardless of his chosen field of endeavor. ...Vince Lombardi

Customer Service

Our general policy towards our Customers is best defined by the slogan...
"The Customer Must Be Satisfied".

A courteous, friendly approach followed by prompt efficient service will retain Customer goodwill and assist in the continued growth of our business.

The Customer is our <u>only</u> source of revenue and we should constantly strive to see that he/she is completely satisfied.

Repeat business is the key to our sales, our profit and your income.

Mistreating the Customer or his property, overcharging, misrepresenting, etc. are misconducts.

We must give the same respect to our Customers that we would expect when we visit other places of business.

Customers should be given accurate information and your total attention.

Our Team Members must not degrade other products or services (this could make the Customer feel that he has spent money foolishly for other products or services).

Be pleasant, tactful, and try to make the Customer feel pleasantly at home in our dealership.

2010 EOQ Quote

Quality begins on the inside...and then works its way out.

By Bob Moawad from Theron Rasmussen

Conduct

Absences and Tardiness

You are required to attend work without tardiness or unexcused absences. If you are going to be late or absent, call 30 minutes in advance. When calling before 9:00am call your Manager on his/her cell phone. If you are unable to speak with your Manager leave a voice message, then call the store. When the answering system picks up you may enter your Manager's extension and leave a message. Absences must be reported to your Manager or to another Manager. "No Call, No Show" is equal to quitting. Irregular attendance, too many absences, tardiness, or taking time off during the day is considered to be misconduct.

Computer Use

Company computers are for CP business use only. Uses strictly prohibited include personal business, playing games and internet entertainment of any kind. Altering the screen saver or any other computer setting is prohibited.

Gifts

Gifts or tips from suppliers and others outside the CP must never be expected or encouraged. Every gift must be reported to your Manager. Gifts will be distributed under these guidelines:

- 1. Gifts and/or Tips with a retail value under \$25.00 may be kept. When the value of the gift is not readily available, a determination will be made by the General Manager.
- 2. Gifts and/or Tips with a retail value of \$25.00 or more will be awarded at random during the next company event or All Staff Monthly Meeting.
- 3. Team Members are not allowed to accept alcoholic beverages as gifts.
- 4. When appropriate, the Parts Manager may place the item into inventory for sale at retail.

Failure to make your manager aware of a gift of any value will be grounds for dismissal.

Events Hosted by Carter Powersports

If a Team Member reserves tickets for an event hosted by CP and then fails to attend the event, he/she must reimburse CP for the costs. Team Members must wear a Company logo when attending events hosted by the Company unless approved by the General Manager in advance. Team Members are to act appropriately when wearing CP logo and when attending CP events.

Drugs and Alcohol (Also see the Substance Abuse section)

No illegal drugs are ever to be brought or consumed on CP property. No alcohol is to be brought or consumed on CP property unless approved by the General Manager in advance.

An employee at work under the influence of alcohol or drugs is subject to immediate dismissal.

Loyalty

A high degree of loyalty has been one of our most gratifying experiences. A harmonious spirit is to be maintained and a healthy respect for persons and their property are the rule. Misuse of company property and fellow employees' personal property will not be tolerated. **Honesty is a MUST**

The inappropriate discussion of Company business with outsiders is grounds for immediate dismissal.

Personal Misconduct

Insubordination, falsification of work records or employee applications, punching another's timecard, stealing, misuse of Company property, damage to Company property, bribery, fighting, disclosure of confidential information, taking unauthorized packages to or from the facility, taking unauthorized photos, unauthorized presence in the facility before or after store hours, lending money to a fellow employee or Customer, immoral conduct, accepting tips of \$25 or more, speeding or careless driving with any vehicle on the Company property or with Company or Customer's vehicle, conviction of a penal offense, misuse of Company identification or using Company name to receive a special discount or in any other way to benefit from this use, are misconducts. While on the job, visiting, loitering, disturbing others, receiving personal packages, receiving outside visitors, making or accepting personal phone calls, texting, doing personal work, sleeping on the job, eating on the job, consuming liquor or illegal drugs on the job, reading, wandering, receiving personal mail, loafing, operating Customer's vehicle without authorization are construed to be misconduct. You may or may not be dismissed for a first offense.

Any employee causing damage through carelessness, neglect, or abuse to any Carter Powersports or Customer - owned property will be fully responsible for the cost of repairs. Any change to this policy will be decided on a case by case basis by our General Manager.

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Personal Phone Calls

Personal phone calls on CP time are permitted for emergencies only. Please advise your friends and family of this policy. The phone located in the lunch room is for personal calls only during your designated breaks or lunch.

Cell Phone Usage for Sales Staff

The Sales staff is permitted to make business related calls with and only with the Sales Managers' permission. All calls must be made near the Sales desk where all other Sales calls take place. Phones must be kept on silent or vibrate.

Cell Phone Usage for Service Staff

The Service staff is permitted to make business related calls when the situation requires the staff to use their personal phones and only with the Service Managers' permission. Phones must be kept on silent or vibrate.

Cell Phone Usage for Parts Staff

The Parts staff is permitted to make business related calls with and only with the Parts Managers' permission. All calls must be made behind the Parts desk where all other Parts calls take place. Phones must be kept on silent or vibrate.

Political and Organizational Activities

Indoctrination, solicitation, putting up, taking down or defacing posters, membership in subversive organizations, unauthorized articles, speeches, or promotions, spreading rumors are considered to be misconducts.

Sunglasses, Candy, Coffee, Food, Etc.

In retail business, we must be ever conscientious of the first impression we make with our customers. There are certain do's and don'ts which are necessary to enforce.

Regardless of how our Customers feel we must never offend someone.

In the presence of a Customer, in display areas, sales floor, closing office, or service area, we must never have anything in our mouth such as cigarettes, toothpicks, tobacco, etc.

Sunglasses tend to make people distrust you, as they can not see your eyes. Sunglasses are never to be worn in the building or when we are greeting a Customer at the service island, display, etc. Sunglasses may be put on only if necessary and only after the introductions when you are outside of the building.

Food should be eaten only in the break room. Beverages in spill-proof containers are allowed only in Team Member's personal areas and out of the view of customers. Food is not allowed in CP vehicles. Only bottled water is allowed in CP vehicles. Carter Powersports appreciates your cooperation in making a good impression with our customers.

Smoking

Smoking on premises must always be in accordance with the Smoking Club rules.

Smoking by Team Members is permitted only in the designated far NW corner in back lot. Use the ashcan and empty as necessary. Cleanliness in this area is the responsibility of smokers. Cigarette butts on the ground will result in the closure of the area.

Smoking is allowed only before punching in and during your designated breaks and lunch.

Smoking in any Customer vehicle or any Carter Powersports vehicle is strictly forbidden.

Smoking is strictly forbidden on mechanic test drives and sales demonstrations.

Chewing Tobacco

Team Members who chew tobacco are subject to the same rules listed for Smoking

We encourage Team members to consider becoming non-smokers and non-chewers out of concern for your own well-being.

Dress Code

Your personal appearance should be a matter of pride to you and Carter Powersports. It is important that you keep personal appearance neat and within prescribed limits.

General Manager is the final authority on the appropriateness of apparel worn by Team Members while on duty.

Department Dress Policies

Managers: Professional Office Attire

Logo Collared Shirts Logo Blazers or Jackets Neat jeans or pants

Administration (Upstairs' Staff)

Neat Logo Shirts, Brands we sell or Professional Office Attire.

Neat jeans, pants or skirts.

New Hires: CP will issue three (3) new Logo shirts or brands we sell..

Business Office (Customer Service and F&I)

Logo Blazers, Logo Shirts or Professional Office Attire.

Neat jeans or pants

New Hires: Upon receipt of State of Nev. Salesperson License paid by the new hire, CP will issue the new hire three (3) Logo Collared shirts.

Upon renewal of their State of Nev. Salesperson License,

CP will issue current Team Members two (2) new Logo Collared shirts.

Cashier/Receptionist

Neat Logo Shirts, Brands we sell or Professional Office Attire.

Neat jeans, pants or skirts.

New Hires: CP will issue three (3) new Logo shirts or brands we sell..

Parts & Accessories

Neat Logo Shirts, Brands we sell or Professional Office Attire.

Neat jeans, pants or skirts.

P&A Manager may coordinate colors by day

New Hires: CP will issue three (3) new Logo shirts or brands we sell

After three (3) months, CP will issue two (2) more.

Sales Porters

Logo Uniforms-(Provided)

No finger rings, loose jewelry, wallet chains or key lanyards

Sales Representatives

Logo Collared Shirts with neat jeans or better

New Hires: Upon receipt of State of Nev. Salesperson License paid by the new hire, CP will issue the new hire three (3) Logo Collared shirts.

Upon renewal of their State of Nev. Salesperson License,

CP will issue current Team Members two (2) new Logo Collared shirts.

Service (No finger rings, loose jewelry, wallet chains or key lanyards)

Porters-Logo Uniforms (Provided)

Techs-Logo Uniforms (Provided)

Warranty -Logo Shirt (Provided) with dark neat jeans or pants

Writers-Logo Uniforms (Provided) with dark neat jeans or pants

General Dress Codes

Shorts, sloppy blue jeans or sweatshirts, etc. are not permitted.

Provocative attire is NOT allowed (example: no extreme bare midriffs, extreme low cut tops or low cut pants)

No flip flops allowed.

No sandals in Service Area whether you work in the area or are visiting.

Nametags or name embroidered tops must be worn during business hours and at company promotional/sponsored events.

Team Members must wear CP logos or brands we sell at all Company promotional/sponsored events unless approved by the General Manager in advance.

Personal jewelry must be worn in accordance with safety and good taste. Technicians, service writers and porters must not wear finger rings, wallet chains, key lanyards or any sort of loose jewelry. No one may wear wallet chains or key lanyards. Females may wear small facial studs only with the General Manager's pre-approval. Males will refrain from wearing earrings or any type of facial jewelry.

> Boots or Approved Work Shoes (above ankle) MUST be worn on demo rides and test rides... Absolutely NO tennis shoes or skate shoes.

Helmets MUST always be worn while riding any MC or ATV on the property.

Dress Code Exceptions

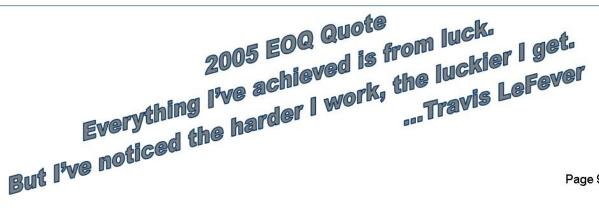
Shirts and Ties may be worn in place of logo shirts

Logo Sweatshirts may be worn.

Event shirts may be worn as a team when Management deems appropriate.

Vendor Shirts may be worn as a team when Management deems appropriate.

Our General Manager is the final authority on the appropriateness of apparel worn by Team Members while on duty.



2001 EOQ Quote It's always too soon to quit! ...Ernest R. Carter

Facilities and Property

Employee Lounge

Carter Powersports has a break room for its Team Members. This is the only place in the building that eating is permitted.

There is a refrigerator, microwave and oven for employee use.

Team Members **MUST** put their name and date on items stored in the refrigerator.

The refrigerator is cleaned out on a regular basis and all items, including containers, not properly marked will be thrown away.

Keeping the break room **CLEAN** is the responsibility of all Team Members.

Please wipe up any spills or messes. Keep the Break Room clean or it will be closed!

Company Demonstrators

Company demos must be kept in first class condition at all times. They must **never** be used for off road, hauling or any other purpose which could deteriorate their condition.

Any damage to a demo is the sole responsibility of the assigned operator.

Team Members involved in accidents are responsible for the deductible amount of insurance.

Demos are to be used within Clark County only unless prior approval is obtained.

No Team member shall operate a demo or any other company vehicle after consuming any amount of alcoholic beverage or drugs

Team Members are NOT permitted to use their personal cars for CP business.

Employee Parking (see map on Section I Page 2)

Autos: Please park in these areas:

- 1. Spaces along the North fence behind the gates (Do NOT block the fire hydrant)
- 2. Spaces on the Southwest corner next to the dumpsters.

 Park in marked spaces only (Do NOT block the driveway.)
- 3. On Post Road west of the Southern entrance.

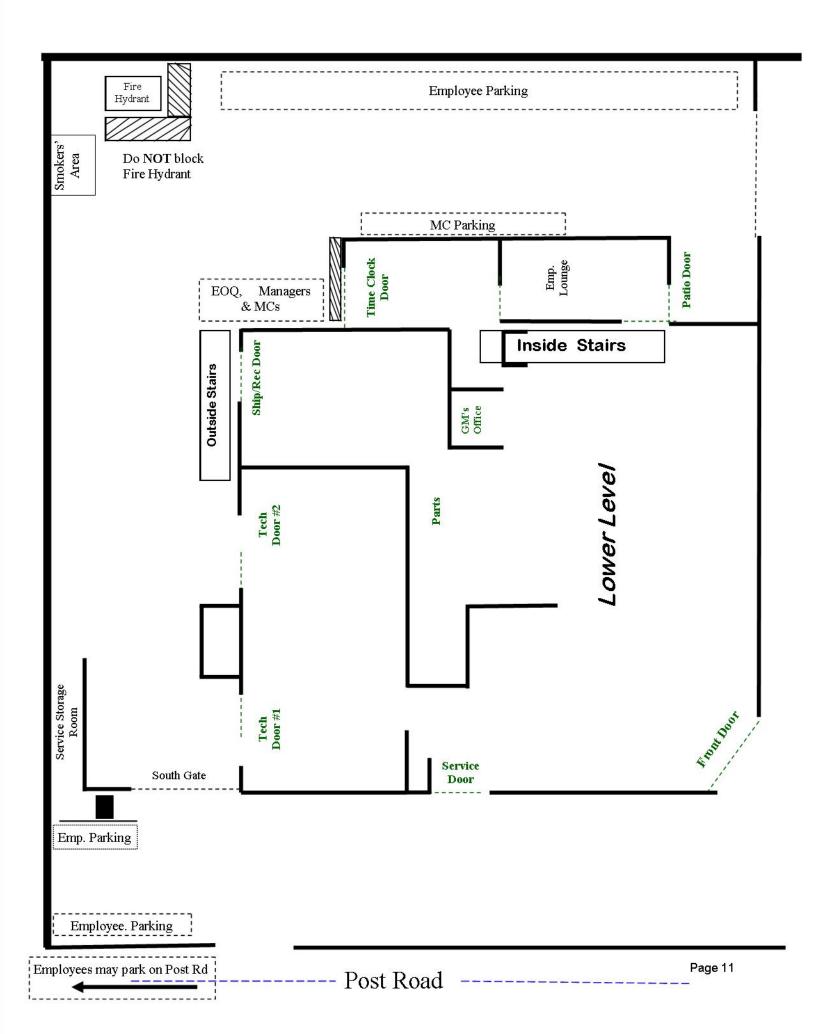
Managers & Employee of the Quarter: Marked spaces under the Covered Parking. Motorcycles: May also park:

- 1. Along the North side of the Building inside the gate
- 2. Under the Covered Parking, along the building wall. (Do NOT block any doors or gates)

Working Conditions

A high standard of cleanliness and working conditions will be maintained at all times. Team Members must do their part to keep this at a high level throughout our premises.

Any Team Member causing damage through carelessness, neglect, or abuse to any Carter Powersports or customer- owned property will be fully responsible for the cost of repairs. Any change to this policy will be decided on a case by case basis by our General Manager.



General Company Policies

Discrimination

Carter Powersports will not discriminate against any employee or applicant for employment because of race, creed, color, gender, or national origin. Carter Powersports will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, gender, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Full Time

Full time is defined as working thirty-two (32) hours or more per week on a normal basis.

Harassment Policy

We do **NOT** tolerate harassment of any of our employees. Any form of harassment which violates federal, state or local law, including, but not limited to harassment related to an individual's race, religion, color, gender, national origin, ancestry, citizenship status, marital status, pregnancy, age, medical condition (cancer related), handicap or disability is a violation of this policy and will be treated as a disciplinary matter. For these purposes, the term harassment includes slurs and any other offensive remarks, jokes, other verbal, graphic, or physical conduct. Harassment also includes sexual advances, requests for sexual favors, unwelcome or offensive touching and other verbal, graphic, or physical conduct of a sexual nature.

If you have any questions about what constitutes harassing behavior, ask your Manager.

Violation of this policy will subject you to disciplinary action, up to and including immediate discharge.

If you feel that you are being harassed by another employee, you should immediately notify your Manager. If you do not feel that the matter can be discussed with your Manager. contact the Office Manager or General Manager and arrange for a meeting to discuss your complaint. You will not be penalized in any way for reporting a harassment problem.

State of Nevada Sexual Harassment Hotline 1-800-767-7381

All complaints of harassment which are reported to management will be investigated as promptly as possible and will be treated with as much confidentiality as possible

Job Descriptions

A job description will be given to all new Team Members prior to their first day of employment. You will be expected to read and adhere to this description. This description is not a means of avoiding responsibility or duties.

Job Reviews

You will have a review of your job performance after 90 days and after one year of service. You will have an annual review on the anniversary of your start date.

Other Employment

It is just cause for immediate discharge for any Team Member to solicit or perform work of the character performed by the Company in any other than the Company's place of business, except as may be directed or approved by the Company.

A Team Member who desires to acquire secondary employment in addition to his/her position at Carter Powersports must inform the General Manager before taking the second job. The General Manager will evaluate whether the secondary employment may adversely affect the Team Member's performance and ability to provide the level of service and loyalty that is required.

Personal Checks

A Team Member may cash checks up to \$25.00 per week. There will be a \$10.00 service charge for any returned check. The check must be initialed by a Manager before it is cashed by the Cashier.

Personnel Policies

Our personnel policy is that Team Members and Management are a valuable partnership. Everyone benefits from working together as a Team. Your enthusiasm and attitude are important to your future and the continued progress of our Company.

Promotions

It is our policy to promote from within whenever possible.

Quality of Work

Quality and amount of work are to be acceptable as determined by Management. Carelessness, inefficiency, restricted production and poor workmanship are contrary to Carter Powersports' rules and are construed to be misconduct.

Resignations

You are expected to give your Department Manager two weeks notice or more, should you desire to resign.

Smoking Policy

Smoking on premises must always be in accordance with the Smoking Club rules.

Smoking by Team Members is permitted only in the designated far NW corner in back lot. Use the ashcan and empty as necessary. Cleanliness in this area is the responsibility of smokers. Cigarette butts on the ground will result in the closure of the area.

Smoking is allowed only before punching in and during your designated breaks and lunch.

Smoking in any Customer vehicle or any Carter Powersports vehicle is strictly forbidden.

Smoking is strictly forbidden on mechanic test drives and sales demonstrations.

Chewing Tobacco

Team Members who chew tobacco are subject to the same rules listed for Smoking

Workman's Compensation

You are automatically covered under Workman's Compensation as soon as you begin work for job related injuries and illnesses. If you have an accident on the job or a job related illness, report it immediately to your Manager or to any other Manager if your Manager is not immediately available. He will help you get the medical attention you need and start the necessary forms for Workmen's Compensation.

Payroll

Advances

No Team Member shall be granted pay in advance of the established pay schedule. Instead we will maintain a prompt schedule of disbursement of paychecks.

Direct Deposit

We will pay to have your paycheck automatically deposited to your checking account if you desire. Except for your final check which **must** be picked up from the General Manager or Dealer Principal at the time of your exit Interview.

Employment Insurance Benefits

Under the Federal Insurance Contributions Act, you are entitled to receive compensation for unemployment due to circumstances beyond your control. This fund is administered through the state employment agencies. This is paid for entirely by our Company.

Income Tax Deductions

We are required by law to make tax deductions from employees' earnings and forward to the Federal Income Tax Division. These are made in accordance with tables furnished by the Federal Government. It is the responsibility of each employee to notify the company office **in writing** of any change of dependent status or change of address.

Out-of-Town Business

Travel time for out-of-town jobs shall be considered as time worked in most cases and will be determined per job. A Team Member working out of town who is required to stay overnight shall be reimbursed for overnight lodging and two (2) meals for each night of required lay-over.

Itemized receipts must be included with a signed and approved Expense Report..

Team Members are not permitted to use their personal cars for Company business.

Pay Plans

Each Team Member contributes to the success of our business. We endeavor to pay our Team Members in relation to their contribution and to local wage scales for similar businesses.

All Team members are paid every two weeks. This biweekly period begins on Sunday and ends on Saturday of the following week. Paychecks are distributed the next Friday.

Payroll Checks

If a Team Member loses a paycheck, they must inform the Payroll Administrator. The Payroll Administrator will check if the check has cleared and stop payment. The Team Member must reimburse CP for any charges incurred. A replacement check will be issued **five (5) business days from the stop-payment date**.

Status Changes

When a Team Member has a change of address, phone number, name or marital status, they must notify the Business Office for the appropriate change form.

Social Security Insurance

Under the Federal Insurance Contributions Act known as Social Security, a percent of your gross earnings are deducted up to a certain amount. This amount is matched by your employer for each employee and the total forwarded to the Federal Government. If you are not familiar with the benefits under Social Security check with your local SS office for a full explanation.

2009 EOQ Quote A man who never quits is never defeated. By Fred Thompson from Dave Carter

Safety & Evacuation Plan

Safety Rules

When on company property or in company vehicles: horseplay, smoking, tobacco chewing, sanitation (includes spitting), failure to put objects in their proper place, littering, failure to report communicable disease, endangering other employees, failure to use safety devices, failure to report accidents and injuries, failure to get treatment, carrying unauthorized weapons, and poor taste in wearing apparel for both safety and appearance are considered to be misconducts.

You should become familiar with the location of the fire extinguishers and first aid kit which have been supplied for your safety.

We are proud of our safety record and of the safe working conditions provided for our Team Members. We urge you to follow common sense safety practices and to report any unsafe conditions, defective working tools or equipment to your Manager.

Any and all accidents, no matter how small, must be immediately reported to your Manager.
All appropriate paperwork must be filled out.

Safety - Company Vehicles

Anyone using a company vehicle, either for company use, demo use or on their own time must possess a valid driver's license for Nevada. Anyone using a company motorcycle must have a motorcycle endorsement on their valid driver's license. In either case, Team Member must be approved by CP Insurance. Any CP vehicle use must be approved by a Manager.

Cell phone must NOT be used while driving.

Employees must use the proper safety equipment at all times (on or off our lot.)

<u>Truck/Car</u> - Seat belts for driver and passengers.

M/C, ATV or Scooter-Dot Approved Helmet (properly fastened), proper eye protection and proper riding apparel (no shorts, sandals, tennis shoes, skate shoes etc..).

Personal Watercraft - Coast Guard-approved flotation devices.

Obey the laws of the road and the water at all times.

Safety - Evacuation

See Pages 16 and 17 (next two pages) for Evacuation Routes

Carter Powersports Upper Level

Evacuation Routes and Meeting Area Fire Extinguisher Locations

In the event of a required evacuation of the building, all Team Members are to leave the building through the nearest exit and gather in the front corner of PT Pub's parking lot

All Team Members will assemble for a head count and remain together until a determination is made that all personnel are accounted for.

Outside Stairs Back Door Upper PT Pub Level FE First Aid Kit In **Upstairs** Inside Stairs Bathroom See FE for Fire Elevator Extinguisher Locations. In Emergencies: Assemble Do NOT use Elevator. Here Find Nearest Exit. Meet in front of PT Pub.

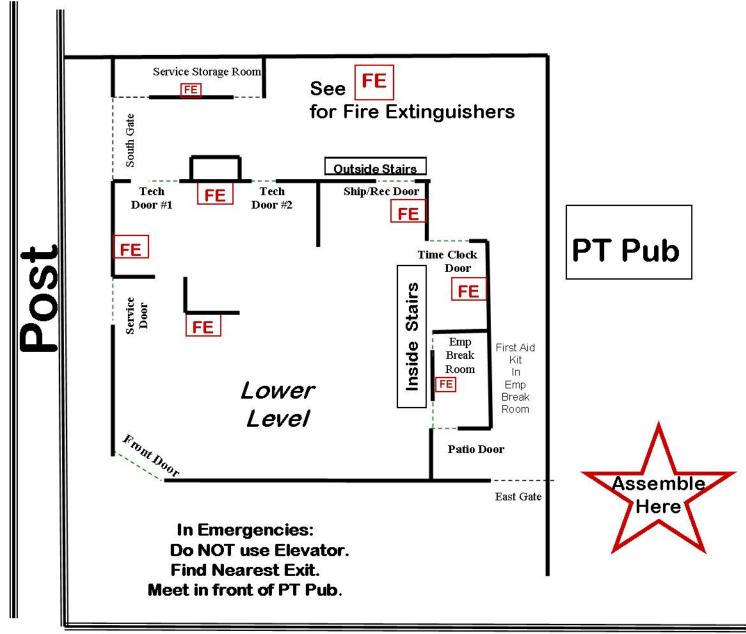
Decatur

Carter Powersports Lower Level

Evacuation Routes and Meeting Area Fire Extinguisher Locations

In the event of a required evacuation of the building, all Team Members are to leave the building through the nearest exit and gather in the front corner of PT Pub's parking lot

All Team Members will assemble for a head count and remain together until a determination is made that all personnel are accounted for.



Decatur

Substance Abuse

(This document is also included in the CP New Employee Packet)

The purpose of this policy, effective January 24, 1994, is to establish and maintain a safe, healthy working environment for all Team Members and to reduce absenteeism, tardiness and unsatisfactory job performance.

Definitions

Alcohol or Alcoholic Beverage - any beverage that may be legally sold and consumed and has an alcoholic content.

Drug - any substance (other than alcohol) capable of altering the mood, perception, pain level, or judgment of the individual consuming it.

Prescribed Drug - any substance prescribed for the individual consuming it by a licensed medical practitioner.

Illegal Drug - any drug or controlled substance, the sale, possession or consumption of which is illegal.

Alcoholic Beverages

No alcoholic beverages may be brought onto or consumed on company premises unless there is prior approval by our General Manager.

Drinking or having detectable alcohol in your system while on duty is cause for termination.

Prescription Drugs

The sale, trade or delivery of any prescription drug by a Team Member to another for whom it is not prescribed is cause for termination.

Any Team Member whose abuse of prescription drugs results in excessive absenteeism, tardiness, or unsatisfactory work will be referred to a physician. If the Team Member refuses, he/she will be terminated.

Team Members using drugs at the direction of a physician are required to notify their Managers where these drugs may affect their job performance, such as causing dizziness or drowsiness. It is the Team Member's responsibility to determine from his/her physician whether a prescribed drug may impair job performance.

Illegal Drugs

The use of an illegal drug or controlled substance or the possession of same on duty is cause for termination.

The sale, trade or delivery of illegal drugs or illegal controlled substances by a Team member to another person while either person is on duty is cause for termination and referral to law enforcement authorities. Likewise, the receipt by any Team member of illegal drugs or illegal controlled substances while on duty is cause for termination and referral to law enforcement authorities.

Having any detectable non-prescription drugs in your system while on duty is cause for termination.

Employment of Persons Addicted to or Dependent upon Alcohol or Drugs

Carter Powersports will not knowingly employ a person presently using illegal drugs or having a history of alcohol dependency unless there is evidence of rehabilitation satisfactory to our General Manager.

All applicants for employment will be required to take a pre-employment drug/alcohol test.

Applicants whose interviews and/or general reference check indicate present alcohol or drug abuse will not be hired.

Any employee may be tested for illegal drugs and/or alcohol whenever there is reasonable suspicion that the employee is impaired and work performance is affected.

Random Drug Testing

In order to ensure that our workplace remains drug-free and safe from drug- induced incidents, accidents and poor performance, drug tests will be required at non-standard intervals. Those tested will be selected at random from all employees.

Once notified of selection, you must report within sixty (60) minutes to the Quest Diagnostic clinic designated by your Department Manager. Assuming that the test is passed, there are absolutely no repercussions of any sort.

If you fail the test (to include manipulating the specimen) or refuse to take the test, it will be cause for termination. You will be immediately relieved of duty and an appointment with senior management will be scheduled. Senior management consists of your department manager, General Manager and Dealer Principal. Following this meeting, senior management may, at its sole discretion, choose to place you on probation instead of terminating you. In this case, probation consists of the following:

You will be required to submit to drug testing at our discretion.

You must pay for the test (s).

Should you fail or refuse a test, termination is immediate.

The bottom line is that we all will be healthier, happier and safer if we all abstain from all illegal and/or un-prescribed drugs, and if we confine our reasonable alcohol consumption to evenings and days off.

Rules

A positive confirmed test for either alcohol or illegal drugs on an applicant is an automatic NO HIRE.

A positive confirmed test for either alcohol or illegal drugs on an employee taking a test for reasonable suspicion, post-accident or random testing is cause for termination.

An employee's refusal to be tested when requested for reasonable suspicion is the same as insubordination and is cause for termination.

Post-Accident

Team members will be required to submit to a drug/alcohol screening if they are involved in

- 1. A workplace accident requiring medical attention.
- 2. A vehicular accident for which they are cited and/or causes more than \$250.00 worth of damages.
- 3. A vehicular citation while driving a company vehicle



Vacations

Carter Powersports provides all permanent full-time Team Members with paid vacations, based on their company service and hire anniversary date as follows:

- One (1) week after one (1) year of full-time employment.
- Two (2) weeks after three (3) years of full-time employment.
- Three (3) weeks after ten (10) years of full-time employment.

Vacation Rules

- 1. Your vacation time MUST be approved at least thirty (30) days IN ADVANCE.
- 2. Your vacation time MUST be scheduled and approved by your Department Manager and our General Manager.
- 3. NO MORE than one work week may be taken outside your Department's Preferred Vacation (Non-Busy) Schedule. See Chart below.
- 4. NO MORE than one work week may be carried over to your next year of employment.
- 5. If operational considerations conflict with your vacation, you may be required to change your plans.
- 6. Vacations must be taken as paid time off; no pay in lieu of time shall be permitted.
- 7. Team members will normally be paid for vacation earned but not taken at time of termination, providing the employee provides a minimum of two (2) weeks written notice. Team members quitting without at least two (2) weeks notice forfeit vacation pay.
- 8. Sales Persons will be paid \$10 per hour for vacation time.
- 9. Service Technicians will be paid \$10.00 per hour for vacation and meeting times.
- 10. Team Members who are not eligible for vacation time can receive unpaid days off for emergencies ONLY and MUST be approved by your Department Manager and our General Manager IN WRITING.

Preferred Vacation (Non-Busy) Seasons

Admin: 2nd & 3rd Weeks of July, August, October & November.

Parts & Accessories: January, February, September and November

Sales: January, February, October and November

Service: January, February, October, November and December

Vacation Bonus:

\$100 for every five (5) earned vacation days taken within your Department's Preferred Vacation (Non-busy) Seasons.

Or one (1) extra paid vacation day for those with <u>only</u> five (5) days earned vacation.

Vacation Approval Forms

Vacation Approval Forms are available from the Admin Office. When you request one, it will be filled in with the number of vacation days you have available until your next anniversary date.

Any exceptions to the policies above MUST BE APPROVED IN ADVANCE by our General Manager.

Working Hours

Breaks and Lunch Hours

Hourly Team members will punch out/punch in for lunch (including when lunch is provided by the Company).

Morning & afternoon breaks are 10 minutes each and are taken on the premises.

Smoking and Tobacco Chewing is permitted **ONLY** during the designated morning, lunch, and afternoon breaks and **ONLY** in the designated smoking area.

Your break and lunch hours are determined by your Manager. Breaks and lunch periods are to start upon reaching the designated time and not before. You are to be back at your station by the time designated. Example: if your lunch hour is from 12:00 to 1:00, you must be on the job until 12:00 and must be back at your station on or before 1:00. All lunches must be completed by 3pm.

Lunches/breaks are to be taken in non-working areas of the store (lunchroom, bathroom, or outside).

Holidays

New Year's Day Easter Sunday Memorial Day Independence Day (4th of July)
Labor Day Thanksgiving Day Christmas Day

Under normal Circumstances, holidays that fall on a Sunday will not be paid holidays. When one of the holidays listed occurs during a Team Member's vacation, the number of vacation days taken will be reduced by one and a day at holiday rate will be paid instead. Schedule permitting, the original number of desired vacation days may be maintained and the time off expanded to include the holiday. In that case, the Company will designate whether the extra day is at the start or end of the vacation period. Non-probationary Team Members will be paid their normal rate. Salesmen and flagging mechanics will receive 8 hours at minimum wage per day. A Team Member must work their full scheduled day before and a full scheduled day after the holiday to be eligible for Holiday pay.

Leave of Absence

Any Team Member desiring a leave of absence from the job shall secure advance written permission from the company, except in the case of sickness or injury, in which cases notice of such sickness or injury shall be given to the company as soon as possible.

FMLA-Family Medical Leave Act: The FMLA which became effective on August 5, 1993 for most employers and employees to balance their work and family life by taking reasonable unpaid leave for certain family and medical reasons.

Under the FMLA, eligible employees of covered employers may take up to a total of twelve (12) work weeks of unpaid, job protected leave during a twelve (12) month period.

To be eligible for FMLA benefits, an employee must work for a covered employer and:

- 1. have worked for that employer for at least twelve (12) month (which can be nonconsecutive); and
- 2. have worked at least 1,250 hours during the twelve (12) month period immediately preceding the leave; and
- 3. Work at a location where fifty (50) or more employees are employed by the employer within 75 miles of that location.

Sick Pay

After a Team Member's 90 day probationary period, 1/2 day per month will be accumulated for the Team member. If a Team Member is ill, the first day will be unpaid. After that, he can use his accumulated sick pay. Salesmen and mechanics will be paid minimum wage. If sick days are not used, they may be accumulated from year to year with a maximum of thirty (30) days.

Work Week

Your hours and days will be determined by your Manager and are subject to change as the work load demands.

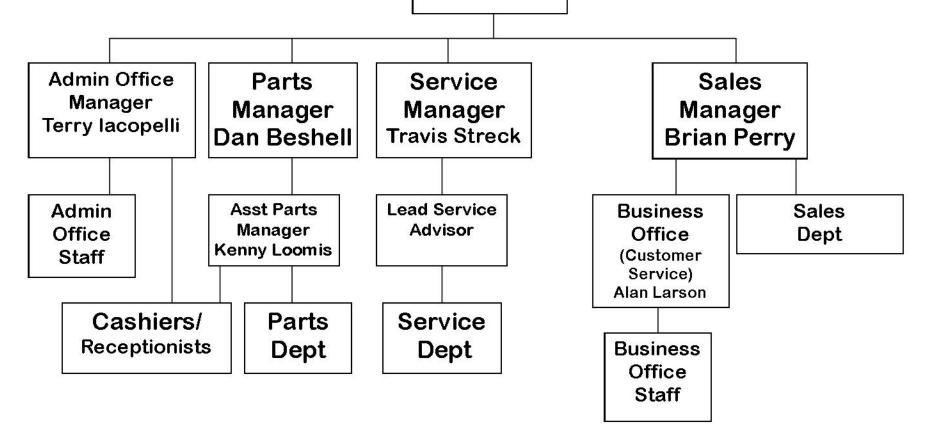
2004 EOQ Quote
Success is not something to wait for...
It's something to work for.
...Henry Longfellow



Dealer Principal Dave Carter

General Manager Gregg Kearns





The Carter Powersports Magic & Fun Philosophy

Commit to the following principles and...Have fun!

Answer all calls promptly, properly and with a "smile".

Remain positive...provide solutions rather than restrictions.

Take pride in your dress and grooming...you are on stage!

Exceed Customers' expectations...show appreciation to them.

Remain prompt, professional, ethical, fair and safe at all times.

Personal goals and our team goals should be compatible

Offer Customers the right of way in store traffic areas.

When you are in or out of the store...be a Carter Powersports Ambassador.

Escort Customers rather than point out directions.

Recommend our other departments to all your Customers.

Smile and greet all Customers and Team Members...use names.

Please say "please" on the Intercom.

Own Customers' complaints. If you get a complaint, you "own" it...listen... and answer their concern immediately.

Follow up to make sure the Customer has been satisfied.

Remember...we are ladies and gentlemen serving ladies and gentlemen.

Take pride in Carter Powersports' history and success.

Share Carter Powersports information and events with Customers.

Memorize our policies and use them. If there is no policy... you are empowered to make a decision... use your best common sense.

Always insist on excellence in everything you and others do.

Great Team Members share ideas...listen to and respect others.

If you see a defect in our store...fix it. If you can't fix it...report it.

Commit to the Carter Powersports Magic & Fun Philosophy all the time... success starts with you.

&

Feel enthusiastic about your job and helping Customers.

Understand your Manager's door is open for your concerns.

Now is the time to do everything you can to keep all of our Customers satisfied!.