

EMPLOYEE HANDBOOK



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MANAGEMENT POLICY STATEMENT

Shoppers Value is cognizant of the fact that employee safety is the most important consideration in the planning and operation of all facility activities. Safety is essential for employee welfare, morale and employee relations. With this in mind, your management has decided to establish a comprehensive Safety Program within all departments and at all levels of activity. Realizing that accident prevention requires a continued effort and participation of employees, it is the firm policy of Shoppers Value that no part of our job will be so important that we cannot take time to do it safely. Emphasis will be on mutually finding ways to operate accident free, on-time and economically, and not to permit safety to become a crutch for slack or inefficient operations. The success of our Safety Program depends on the safety, and well-being of our employees and their families. Therefore, it is imperative that workplace hazards be identified, appropriately evaluated and effectively controlled.

To achieve our safety objectives, management will comply with all applicable federal, state and local requirements or appropriate industry standards.

The full support of all employees is essential to the effectiveness of our Safety Program. Each employee has an obligation to cooperate fully in the program by helping to protect him and fellow employees. Your complete cooperation is requested!

Roy Dodez
Owner/Supervisor

ASSIGNMENT OF RESPONSIBILITY

While Executive Management has the ultimate responsibility for the prevention of accidents, the specific responsibility and commensurate authority for implementing the Safety Program rests with each member of the Management and Labor Team. Therefore, as a matter of policy,

EXECUTIVE MANAGEMENT WILL...

- * Maintain an active progressive safety plan, in which all members of management will participate in order to promote safety awareness and safe work practices on and off-the-job;
- * Provide, within reason, a work environment in which identified occupational hazards are controlled when eliminations are not feasible.
- * Require that all employees follow established safety rules and job safe work practices.
- * Provide adequate budget approvals for the achievement of all approved safety objectives.
- * Establish a program, with a system of accountability, in order to audit and track safety performance of all subordinates.
- * Actively support the Safety Program as example to subordinates, and with the decisions and directives that are required.
- * Delegates authority to others under his and/or her supervision to expedite and facilitate the application of the Safety Program.

STORE MANAGERS AND DEPARTMENT HEADS WILL...

- * Be responsible and accountable for a superior level of safety performance in their areas.
- * Educate and train employees regarding on and off-the-job hazards.
- * Institute work practices which reflect the safest and most efficient methods available for accomplishing assigned tasks.

ASSISTANT MANAGERS WILL...

- * Be responsible for actively supporting the Shoppers Value Safety Program. Supervisors will be held accountable for the safety performance of their sections and/or units.
- * Teach each employee the hazards of the job and how to avoid any/or control them.
- * Impart to each employee that the violation of established safety rules WILL NOT be tolerated.
- * Take prompt corrective action whenever unsafe acts or unsafe conditions are observed or reported by employees. i.e. placing wet floor signs
- * Provide needed safety equipment or other protective devices for assigned tasks as required.
- * Conduct floor safety inspections every half hour. The Floor Chart must be maintained in the office.

- * Instill positive safety awareness in each employee through personal safety contacts.
- * Report and investigate all accidents. Fill out an Accident report accordingly. Determine source of the accident and implement corrective actions that will prevent recurrence in a timely manner. Take Polaroid pictures of ALL accidents. Review video surveillance of incident and forward copy to Danielle Satawa in the corporate office.
- * Provide continuing safety training sessions to all new employees and/or transferred employees.
- * Conduct and/or participate in safety meetings and be informed on each portion of the Safety Program and related safety issues.
- * Enforce good housekeeping practices.
- * Observe and enforce proper use of required personal protective equipment.
- * Ensure that all of your employees are informed of the Safety Program and that a copy of the written safety rules is issued to each employee in the Employee handbook.
- * Provide leadership in Safety Program planning and/or revisions.
- * Ensure that employees, in which you supervise, are participating effectively in the Safety Program.
- * Review all major accidents (Lost Time Cases, Restricted and/or Light Duty Cases, Medical Treatment Cases and Fatalities) with each employee in your area of responsibility.
- * Obtain and/or render prompt first-aid to injured employees.

MAINTENANCE MANAGER AND/OR SUPERVISORS WILL...

- * Have the responsibility to actively support the Shoppers Value Safety Program. Supervisors will be held accountable for the safety performance of their crews and with prompt corrections or submitted work request.
- * Work with Executive Safety Committees, Safety Coordinators and Supervision.
- * Cooperate in devising safety equipment guards and other protective devices.
- * Maintain a regular maintenance schedule on all equipment repairs.
- * Serve on the Safety Committee.
- * Participate in scheduled facility inspections conducted by the Executive Committee.
- * Maintain maintenance records, including pre-operational check lists.
- * Enforce the proper use of machine guards and personal protective equipment.

SAFETY COORDINATOR WILL...

- * Serve in a staff capacity without line authority.

- * Coordinate safety activities.
- * Conduct safety educational programs for supervisory personnel.
- * Coordinate departmental safety interest and motivational programs.
- * Evaluate all OSHA (Occupational Safety and Health Administration) recordable case investigations.
- * Assist in scheduled facility inspections.
- * Periodically attend scheduled safety meetings.
- * Provide safety orientations to all new employees.
- * Audit departments, sections and units in order to determine compliance with all required safety rules, policies and procedures. Submit findings to the Executive Safety Committee.
- * Assist in establishing procedures and guidelines for the Safety Program(s), and keep them updated.
- * Develop safety recommendations for specific operations.
- * Attend meetings and conferences of American Society of Safety Engineers, safety councils, contractors associations, and other organizations considered advantageous to your professional development.
- * Investigate accidents, as considered necessary by management.

EMPLOYEES WILL...

- * Be expected to review the Safety Program, read and follow the safety rules.
- * Support and participate in the Safety Program.
- * Be expected to perform their jobs in the safest manner prescribed.
- * Be encouraged to report workplace hazards, and make suggestions for control and/or elimination.
- * Be expected to conduct themselves in a way that enhances their personal safety and that of their fellow workers.
- * Work According to good safety practices as instructed, discussed or posted by supervision.
- * Keep the work area and/or job site clean and organized.
- * Refrain from engaging in horseplay. Unsafe acts by you or others may be the cause of a serious injury.
- * Request and use personal protective equipment provided for specific tasks.
- * Report ALL injuries and/or accidents to your immediate supervisor on the day of occurrence, even if you deem them to be minor.
- * Refrain from taking shortcuts in your work practices. Violation of established safety rules will not be tolerated.
- * Attend all safety meetings and take an active part in the discussions.
- * Not start any work under conditions not believed to be safe without first calling these conditions immediately to the attention of the supervisor in charge.

FACILITY INSPECTIONS

Each manager will conduct a quarterly facility inspection of their area of responsibility. A written report (checklist or narrative) is to be completed for each inspection. This report is to be retained for a period of one year. The report will cover the identification of recognized unsafe practices, unsafe conditions and any other items inherent to a particular job. The report and/or form will include a space to indicate corrective measures taken.

Inspections serve two basic functions:

1. To maintain a safe work environment and control the unsafe action of people.
2. To maintain operational profitability. Management inspections can be used to measure the supervisors performance.

Reason for inspections are:

- * To check the results against safety objectives;
- * To re-awaken interest in safety;
- * To reevaluate safety by example;
- * To detect and reactivate unfinished business;
- * To collect data for safety meetings;
- * To note and act upon unsafe behavioral trends;
- * To improve safety standards;
- * To check new facilities;
- * To solicit the supervisor's help;
- * To spot unsafe acts and unsafe conditions;

Scheduled safety inspections should in no way relieve the supervisory force of its inherent responsibility for continuous surveillance of the workers, equipment, work environment and productivity.

Store Manager is responsible for making sure all corrective action is taken.

ACCIDENT INVESTIGATION

Each department manager will instruct all first line supervisors to conduct an accident investigation of each injury requiring a visit to a clinic, physician or hospital. A written report will be made for each recordable case completed. The report will include information on the person injured, his or her job title, tasks being performed at the time of the accident, what was the cause of the accident and what corrective action was taken.

It is generally agreed, by management, that the immediate supervisor is the most knowledgeable of the work area and thus, best able to determine most of the underlying causes of an accident. Depending on the nature and/or severity of the accident and/or other conditions, accidents may also be investigated by the Safety Coordinator, the Safety Committee or Executive Management.

Take pictures of ALL accidents. Fill out an accident report and fax immediately to Danielle Satawa at the corporate office. Download surveillance video and forward to Danielle Satawa. Get witness statements and forward to Danielle Satawa.

Store manager must insure that corrective action has been taken.

SAFETY MEETINGS

Each supervisor shall conduct a formalized safety meeting, with all his and/or her employees on a quarterly basis or more often if needed. A written record will be kept indicating the topics discussed, date and the names of the persons attending the meeting. The Safety meeting record will be retained for a period of one year. Safety meetings shall be used for communication of safety data and employee training needs.

Suggestions and recommendations from employees should be encouraged by supervisors. The following may be included in the order of business:

- * Communication of new programs, policies and procedures.
- * Review of accidents.
- * Review of the latest safety inspection and status of hazard corrections.
- * Safety education such as members of the group speaking on various safety subjects or guest may bring specialized instruction on the use of new equipment.
- * Supervisors should seek input from workers. Employees have often given management information in meetings which has contributed to safety policy, increased production and improved engineering design.

SAFETY RULES

The purpose of safety rules is to thoroughly acquaint each of you with a set of safe working rules and procedures that will help you to preserve your health and welfare. It is well understood that you and your family are the beneficiaries of a good Safety Program.

No safety manual, however complete, can cover all conditions that might arise; therefore, it is necessary for you to use your best judgment along with the observance of established job safe practices. It is the desire of the facility to establish the safest working conditions by using the safest protective devices and equipment available, and to promote a good housekeeping program.

It is necessary to have your cooperation in order to promote a good safety program. If you do not completely understand all of your job procedures and safety rules, ask your supervisor for an explanation prior to starting work. It is Management's responsibility to provide the equipment and methods for your safe work performance. However, it is your responsibility to work according to established procedures. Accidents are caused; they just don't happen. You can prevent accidents by putting forth your best daily efforts and give your complete cooperation in accomplishing your assigned tasks. Remember your job is only as safe as you make it.

GENERAL SAFETY RULES

I PERSONAL CONDUCT

The following will not be tolerated:

1. Deliberate failure to follow established safe work practices, rules or regulations provided by Management.
2. Disregard of any supervisor's instructions.
3. Attitudes of indifference, recklessness, hostility and inattention to the job being performed.
4. Horse play of any kind.
5. Drinking of alcoholic beverages or taking controlled drugs.
6. Sleeping on the job.

II. PHYSICAL CONDITION

The following physical conditions must be reported to your supervisor immediately upon receiving either a verbal or written report from a medical doctor who has attended you:

1. Defective eyesight.
2. Defective hearing.
3. Muscular weakness.
4. Either high or low blood pressure.
5. Heart disease and/or problems.
6. Any other physical defect that might affect your safe work performance.
7. All accidents, whether resulting in injuries or not, all sickness or other ailments no matter how slight they may seem, which are in any way attributable to or connected with your employment, must be reported to your supervisor.

In any case requiring the services of a medical doctor, supervision must be notified immediately. Authorization for any visit to a physician connected with your employment must be obtained from supervision prior to you leaving the work site.

III. CLOTHING AND SAFETY EQUIPMENT

1. Required personal protective clothing and/or equipment shall be worn at all times as deemed necessary by your immediate supervisor.
2. Existing written safety procedures pertaining to your job assignments will prevail in each department,

section office or unit.

IV. ELECTRICAL EQUIPMENT

1. Only Chuck Jones or Scott Raymond are to touch any and all Electrical Equipment.
2. All electrical circuits shall be tagged and locked out at the main disconnect for work before repairs to equipment are started. Our objective is a "ZERO" energy state prior to engaging repairs.
3. All electrical powered equipment, including electrical hand tools shall be inspected by the approved user and must be properly grounded before using.
4. Safety guards on all powered equipment must be in place before equipment is used.
5. Always disconnect the power supply line of tools and/or equipment before changing accessories.
6. Do not use the power cord of tools in order to lift or lower them.
7. Inspect the insulation on power lines and/or cables for frayed and/or broken connections each time tools are used.
8. Follow additional job safe practices provided by supervision.

V. LADDERS, SCAFFOLDS AND GUARDS

1. Do not use chairs and/or tables, desk or catered equipment in place of ladders. Use an approved ladder.
2. Ladders must be inspected for cracked or broken rungs prior to use by the user, and if found unsafe, they must be reported to supervision.
3. Ladders must be used for access to scaffolds.
4. All ladders must be tied off at the top or in some other efficient manner in order to keep them from slipping, shifting or falling.
5. Scaffolding material must be inspected by the user and supervision prior to use. It must not be used if found unsafe.
6. Barricades and/or warning signs must be used at wet floor passageways and when overhead work is being performed. They must be removed when the job is complete.
7. Follow all other ladder, scaffold and guard safe rules provided by supervision.

VI. HOUSEKEEPING AND PERSONAL WELFARE

1. Clean bodies and clothes are essential to good health and such should be maintained.
2. All trash and/or waste containers, packing and paper boxes, etc. must be put in the proper place.
3. Nails protruding from boards, boxes or shipping containers, etc. must be removed or bent down immediately.
4. Containers are provided for all used paper towels, cigarette packages and butts, paper, candy wrappers, etc., and must be used. Deliberate and willful scattering of trash will not be tolerated.
5. Any and all work areas must be cleaned before the job can be accepted as being complete.
6. Aisles, ramps, steps, platforms and other passage ways must be kept clean and free of obstruction.
7. Toilets and break areas are provided for personal needs and must be used for these purposes. They are to be kept clean and orderly at all times.
8. All employees are requested to park their vehicles between stripped parking spaces and/or in other designated areas. Do not park in such a manner that you take up more space than required.
9. Do not run up and down stair wells. Use provided hand rails. Never carry loads up and/or downstairs that block your vision while walking. Never leave obstructions in stair wells.
10. Corridors - All employees are requested to observe and/or listen for ongoing traffic in corridors prior to exiting from an office into a corridor. Never leave obstructions in corridors unattended.
11. Energy conservation - All employees are requested to turn off personal appliances, prior to leaving work at the close of your work shift.
12. In the event of a fire, notify the fire department and try to extinguish the fire prior to it becoming uncontrollable. Report the incident to your supervisor and to the Safety Coordinator immediately.
13. All employees are requested not to leave valuables unattended (on desk top or in unsecured desks). Report all thefts to your immediate supervisor at once. Remember, it is requested that you do not bring valuables to work.
14. Do not lean and/or tilt back on the rear legs of a work chair or place feet on desk tops. Most chair fall accidents happen when a person was sitting down, rising or moving about on and/or in a chair. However,

a few do occur when leaning and/or tilting back on rear chair legs.

15. Close file and/or desk drawer immediately after placing and/or retrieving needed items.
16. Electrical cords are not to be placed across employee walkway. Failure to secure and/or tape down cords has the potential to cause an employee tripping hazard.
17. Do not store materials and/or boxes in employee walkways. Should an employee have to step over items in order to continue passable, this action may result in a fall and/or trip.
18. Only authorized employees shall operate office machinery and/or equipment.
19. Razor blades, thumb tacks and other sharp objects shall not be thrown loosely into desk drawers. Never leave knives or scissors on a desk top unattended.
20. Do not place hands, fingers or feet inside protective guards or inside door, desk or file wells while attempting to work on energized equipment or while attempting to close a door or a file. You may lose an appendage.
21. Card index files, dictionaries or other heavy objects should be kept off the top of file cabinets and other high furniture.
22. Additional safety rules may be added by supervision in each individual work unit. These rules will also be followed by all employees.

Safety is everyone's responsibility; let's prevent accidents rather than treat the results that unsafe practices and unsafe conditions can produce.

VII. COMPLIANCE WITH RULES

All personnel are expected to comply fully with these Safety Rules. Any failure to do so will result in appropriate disciplinary action. All disciplinary action will be consistent with fair and just treatment of each individual employee. Any disciplined employee who feels he or she has not been fairly treated should follow the established procedures in resolving this problem.

The listed Safety Rules are illustrative and should not be viewed as an exclusive listing to encompass situations not specifically mentioned. Management reserves the right at all times, when circumstances warrant it, to promulgate new rules or modify existing ones in order to insure a safe, healthy and productive work environment for all our employees, contractors or guests.

TRAINING

Each department section, office or unit manager shall train each new employee, an existing employee on a new job or when new jobs or work is initiated, in the correct work procedures to follow, use of required personal safety equipment and where to get assistance when needed. This training will be accomplished by the job supervisor, but may be done by a training specialist or an outside consultant such as a vendor or safety consultant and/or safety coordinator.

Annual training shall be provided to all persons in supervisory positions in the following:

- * How to conduct safety meetings.
- * How to conduct facility and/or area inspections.
- * How to conduct accident investigations.
- * How to perform a Job Safety Analysis.
- * How to use safety in job plans.
- * How to use leadership skills.

It is important that the supervisor not only instruct the employee in his or her duties, but also demonstrate the correct method to the work. This training should be followed up frequently until the immediate supervisor is satisfied that the worker is carrying out the instructions and has learned to work correctly and safely. Job training is an effective method of starting the employee off right, not only in developing his or her skills for the work assignment, but also in molding safe attitudes.

RECORDKEEPING

Executive Management shall maintain written copies of the following records for the previous year and the current year to date:

- * Accident Investigations.
- * Safety meeting minutes.
- * Employee training records.
- * Area and/or facility inspection reports.
- * Employer's Report of Occupational Injury and Illness Quarterly Summary, LDOL-WC-1017A

The types of work-related injuries that must be recorded and investigated are:

- * All fatalities.
- * All lost-work day cases.
- * All restricted and/or light duty cases.
- * All cases that require medical treatment, above first aid.
- * All cases that require job transfers, termination or resulted in loss of consciousness and/or rehabilitation.

FIRST AID

Call 911 if an emergency occurs.

First aid is the emergency one time treatment of the ill and/or injured before professional medical or surgical attention can be obtained. Any first aid supplies that are needed can be pulled directly from the store shelves and maintained in a first aid drawer in the main office of each store.

Effective first aid facilities should be maintained; and it is suggested that supervisory personnel be encouraged to enroll in the approved American Red Cross multimedia or first response course.

EMERGENCY PREPAREDNESS PLAN

The emergency preparedness program:

- a. Follow all lighted exit signs to exit the building. There are several exits at the front and also in the rear of each store.
- b. Plan is in compliance with federal, state and local laws.
- c. Emergency phone numbers are posted on the main office wall.
- d. In the event of an evacuation, please assemble 500 feet away from the building in the designated employee parking area.
- e. Annual training drills will be conducted.
- h. Emergency plan updated and training to revised plan conducted.
- i. Monthly inspection conducted on all access and egress passageways and doors to ensure they are clear, unobstructed and operable.

To the extent feasible and practical, all foreseeable emergencies should be analyzed by management and emergency plans developed to save lives and minimize disaster damage to property.

SEXUAL HARASSMENT POLICY

A. Sexual Harassment Defined

This policy prohibits “quid pro quo” and “hostile environment” sexual harassment as defined below.

1. Quid Pro Quo Sexual Harassment

Shoppers Value unwelcomes sexual advances, requests for sexual favors, and other verbal and physical conduct of a sexual nature by one in a position of power or influence constitutes “quid pro quo sexual harassment” when 1) submission by an individual is made either an explicit or implicit term or condition of employment or of academic standing, or 2) submission to or rejection of such conduct is used as the basis for academic or employment decisions affecting that employee or student. As defined here, “quid pro quo sexual harassment” normally arises in the context of an authority relationship. This relationship may be direct as in the case of a supervisor and subordinate or teacher and student or it may be indirect when the harasser has the power to influence others who have authority over the victim.

2. Hostile Environment Sexual Harassment

Unwelcome sexual advances, requests for sexual favors, and other verbal and physical conduct of a sexual nature constitute “hostile environment sexual harassment” when such conduct is directed toward an individual because of his or her gender and has the purpose or effect of 1) creating an intimidating, hostile, or offensive work or academic environment, or 2) unreasonably interfering with another’s work or academic performance. Generally, a single sexual joke, offensive epithet, or request for a date does not constitute hostile environment sexual harassment; however, being subjected to such jokes, epithets or requests repeatedly may constitute hostile environment sexual harassment.

In determining whether alleged sexual harassing conduct warrants corrective action, all relevant circumstances, including the context in which the conduct occurred, will be considered. Facts will be judged on the basis of what is reasonable to persons of ordinary sensitivity and not on the particular sensitivity or reaction of an individual.

In cases of alleged sexual harassment, the protections of the First Amendment must be considered if issues of speech or artistic expression are involved. Free speech rights apply in the classroom and in all other education programs and activities of public institutions, and First Amendment rights apply to the speech of students and teachers. Great care must be taken not to inhibit open discussion, academic debate, and expression of personal opinion, particularly in the classroom. Nonetheless, speech or conduct of a sexual or hostile nature which occurs in the context of educational instruction may exceed the protections of academic freedom and constitute prohibited sexual harassment if it meets the definition of sexual harassment noted above and 1) is reasonably regarded as non-professorial speech (i.e., advances a personal interest of the faculty member as opposed to furthering the learning process or legitimate objectives of the course), or 2) lacks accepted pedagogical purpose or is not germane to the academic subject matter.

B. Reporting of Sexual Harassment Allegations

Persons who believe they have been victims of sexual harassment should report the incident(s) immediately to appropriate administrative officials as set forth below. Delay in reporting makes it more difficult to establish the facts of a case and may contribute to the repetition of offensive behavior.

1. Confidentiality

Shoppers Value will do everything consistent with enforcement of this policy and with the law to protect the privacy of the individuals involved and to ensure that the complainant and the accused are treated fairly. Information about individual complaints and their disposition is considered confidential and will be shared only on a “need to know” basis.

2. Assurance Against Retaliation

This policy seeks to encourage employees to express freely, responsibly, and in an orderly way opinions and feelings about any problem or complaint of sexual harassment. Retaliation against persons who report or provide information about sexual harassment or behavior that might constitute sexual harassment is also strictly prohibited. Any act of reprisal, including internal interference, coercion, and restraint, by Shoppers Value Inc employee or by one acting on behalf of Shoppers Value Inc. violates this policy and will result in appropriate disciplinary action.

This sexual harassment policy shall not, however, be used to bring frivolous or malicious complaints against management, co-workers or customer. If a complaint has been made in bad faith, as demonstrated by clear and convincing evidence, disciplinary action may be taken against the person bringing the complaint.

C. Reporting Channels

The following sections identify appropriate sexual harassment resource persons and complaint-receiving officials; employees; should contact regarding sexual harassment.

1. Responsibilities of Supervisory Personnel

All members of Shoppers Value has a general responsibility to contribute in a positive way to the work environment that is free of sexual harassment. Supervisory personnel, however, have additional responsibilities. Supervisory personnel are not only responsible for educating and sensitizing employees in their units about sexual harassment issues, but they are also directed to take all appropriate steps to prevent and stop sexual harassment in their areas of responsibility. Supervisory personnel who are contacted by an individual seeking to file a complaint about sexual harassment in their unit or area of responsibility shall assist the complainant in contacting the appropriate complaint-receiving officials identified below.

2. Employee Complaints

Employees with complaints of sexual harassment against any co-worker, management personnel should contact the Designated Sexual Harassment Resource Person in the store where employed, The name and location of the Designated Sexual Harassment Resource Person can be obtained from the main store located on Plank Road in Baton Rouge. At that store you can speak to Danielle Satawa.

Employees who believe for any reason that they cannot effectively communicate their concern through any of these channels may consult Danielle Satawa directly.

D. Procedures for Handling Complaints of Sexual Harassment

Individuals who believe they are victims of sexual harassment in their working or academic environments are encouraged to respond to the alleged harasser directly, by objecting and by requesting that the unwelcome behavior stop. Individuals may also seek assistance or intervention, short of filing a complaint, from their supervisor.

An initial discussion between the complainant and the complaint-receiving official will be kept confidential to the extent allowed by law, with no formal written record. The complaint-receiving official will explain the options available and will counsel the complainant. If the complainant, after an initial meeting with the complaint-receiving official, decides to proceed, the complainant will be requested to provide a written statement describing the complaint.

Complaints of sexual harassment will receive prompt attention. Complaints may be resolved through the informal or formal procedures described below, and appropriate action will be taken. Informal means are encouraged as the beginning point, but the choice of where to begin normally rests with the complainant. However, if the complaint-receiving official believes that the matter is sufficiently grave because it seems to be part of a persistent pattern, because of the nature of the alleged offense, or because the complainant seeks to have a sanction imposed, then the complaint-receiving official will initiate a formal procedure, or take other appropriate action.

1. Informal Procedures

- a) The complainant may attempt to resolve the matter directly with the alleged offender and report back to the complaint-receiving official.
- b) The complaint-receiving official may notify the alleged offender of the complaint, paying appropriate attention to the need to maintain confidentiality. The complaint-receiving official may take whatever steps short of formal sanctions that he or she deems appropriate to effect an informal resolution acceptable to both parties.
- c) Where the alleged offender is a student, the complainant and accused may choose to participate in mediation.

If a complaint is resolved informally, no record of the complaint will be entered in the alleged offender's employee file. However, the complaint-receiving official will, in the form of a confidential file memorandum, record the fact of the complaint and the resolution achieved.

2. Formal Procedures

In formal resolution procedures, the written and signed complaint will be directed to the following officials:

- a) If the formal complaint is against a manager, or other employee, it should be directed to the owner of the Shoppers Value Inc.

Shoppers Value Inc will conduct whatever inquiry they deem necessary and will arrange conferences with the complainant, the alleged offender, and any other appropriate persons. The investigation will afford the accused an opportunity to respond to the allegations. Those directing investigations will make a record of the case, including a record of their decision. The complainant and the alleged offender will be notified of the outcome of the investigation; however, that information should be treated by both parties as confidential and private. All records of sexual harassment complaints will be retained by Shoppers Value Inc in confidential files. A complainant not satisfied with the resolution achieved by the formal procedures may discuss the matter further with the Shoppers Value

POLICY ON DRUGS AND ALCOHOL IN THE WORKPLACE WITH TESTING

SHOPPERS VALUE WORKPLACE SUBSTANCE ABUSE POLICY

- I.** Introduction
- II.** Statement of Policy Purposes
- III.** Statement of Policy
 - A.** Policy Statement
 - B.** Policy Terms
 - C.** Drug Classification
 - 1.** Illegal Drugs, Unauthorized Controlled Substances, Look-a-Likes, Inhalants of Abuse, Designer and Synthetic Drugs
 - 2.** Unauthorized Use of Intoxicating Beverages
 - D.** Policy Enforcement Activities Regarding Workplace Searches
 - E.** Circumstances For Urine, Blood, or Other Workplace Drug Testing
 - 1.** For Cause / Post-Incident Testing
 - 2.** Post-Accident
 - 3.** Random Testing
 - F.** Notice of Grounds for Termination or Disciplinary Action for Violations of Workplace Substance Abuse Policy
 - 1.** Failure to Comply
 - 2.** Substance Abuse Violations
 - a.** Illegal Drug Use
 - b.** Alcohol Abuse

I. Introduction

Shoppers Value believes in and is committed to providing a safe workplace. We will achieve this by establishing policies promoting high standards of health and safety. In keeping with these objective, it is Shoppers Value's intent to maintain a drug/alcohol-free workplace and workforce.

All employees are expected to report to work in a physical and emotional condition that allows them to perform their assigned tasks in a competent and safe manner. Therefore, the use, abuse, presence in the body or reporting to work under the influence of alcohol, drugs or other impairing substances by an employee is strictly prohibited.

Everyone shares responsibility for maintaining a safe work environment. Employees with drug/alcohol problems are encouraged to seek early assistance from a counseling/rehabilitation program.

II. Statement of Policy Purposes

Shoppers Value recognizes the problem of drug/alcohol abuse in our society. In addition, we view substance abuse as a serious threat (to the abusing employee, our staff, the public and shareholders). Though employees and applicants may be required by a physician to use prescription drugs, abuse a prescribed medications will be handled the same as the abuse of illegal substances. Therefore, we are introducing a workplace drug testing policy to ensure that Shoppers Value will have a drug/alcohol-free environment.

Objectives of the policy include:

- A. To assist in maintaining a safe and healthful working environment for employees of Shoppers Value.
- B. To maintain a drug/alcohol-free workplace and workforce.
- C. To prevent accidental injuries or deaths and to protect property.
- D. To prevent the occurrence of incidents whose consequences may drastically affect the safety and future of facility operation.
- E. To minimize absenteeism and tardiness, t improve productivity and to ensure quality workmanship.
- F. To protect the reputation of Shoppers Value and its employees with the community.
- G. To comply with all applicable federal, state and local laws and regulations and contractual obligations.

III. Statement of Policy

A. **Shoppers Value's Policy Statement.** At any time employees are on company premises or on company business, the following activities are strictly prohibited:
the illegal use of any drug, narcotic or controlled substance; the possession, transit, transfer or purchase of illegal or unauthorized drugs/ the use, abuse, presence in the body or reporting to work under the influence of drugs/alcohol or other intoxicants; the sale of illegal or unauthorized drugs or substance or drug-related paraphernalia.

B. Policy Terms

For the purpose and application of the policy, employees include all full-time, casual or contract employees and employment applicants and candidates as well. This policy equally applies to all employees. Compliance with this policy will be required as a condition of employment for all employees. There shall be no exceptions.

C. Drug Classification

1. **Illegal Drugs, Unauthorized Controlled Substances, Look-a-Likes, Inhalants of Abuse, Designer and Synthetic Drugs.** These include, but are not limited to, central nervous system stimulants such as cocaine and amphetamines; hallucinogens; PCP or Phencyclidine; narcotic analgesics as found in opium (like morphine and codeine) or opium derivatives (heroin); inhalants from volatile solvents like glue, paint or gasoline or from aerosols like hair sprays, deodorants or

insecticides or from anesthetic gases like ether, chloroform or amyl nitrate; cannabis such as found in marijuana, hashish or hash oil.

2. **Unauthorized Use of Intoxicating Beverages.** An employee whose alcohol blood level is over 0.04 percent (40 MG/DL blood) during working time is in violation of this policy.
3. **Prescription Drugs (Legally Controlled Substances) and Off-The-Shelf Medicines.** The use of off-the shelf drugs/medicine or those prescribed by a licensed physician for a given employee is permitted, provided work performance is not affected, under the following conditions: employees must only possess a reasonable amount of medication; employees must inform their supervisor of possible adverse side effects prior to using such substances on the job; employees must not consume prescribed drugs more often than prescribed by their doctor; employees must not allow any other person to consume their prescribed drugs. Shoppers Value at all times reserves the right to have a licensed physician determine if prescription drug use increases the risk of injury to the employee or others while working. If such a finding is made. Shoppers Value may limit or suspend the employee's work activity during the period in which job safety may be adversely affected by the consumption of such medication.

D. Policy Enforcement Activities Regarding Workplace Searches.

In order to achieve the objectives of this policy, Shoppers Value reserves the right at all times while employees re entering, departing or on the premises of when circumstances warrant or when reasonable suspicion or cause exists to have properly authorized supervisors or search personnel (including drug detection dogs) conduct unannounced reasonable searches and inspections. These searches may extend throughout the company's premises as described above, as well as to employees' and persons' effects. Personal property subject to inspection includes, but is not limited to, lockers, baggage, briefcases, boxes, bags, parcels, lunchboxes, food/beverage containers, desks, tools, clothing and vehicles. Searches may be initiated without prior notice and conducted at times and location as deemed appropriate by Shoppers Value.

E. Circumstances for Urine, Blood or Other Workplace Drug Testing.

Shoppers Value reserves the right in certain circumstances to require employees, as a condition of employment and/or continued employment, to submit to urine, blood or other drug tests to determine the presence of illegal or unauthorized drugs/alcohol or other substances prohibited by the policy. Each employee so tested will be required to provide written consent prior to testing. All urine and blood sampling will be performed with concern for each employee's personal privacy, dignity and confidentiality.

The test results will be disclosed on a need-to-know basis in order to administer the policy or as may be legally required. These unannounced tests may be exercised under the following state of affairs:

1. *For Cause / Post-Incident Testing.* When there is reasonable cause to suspect that a working employee's behavior, performance, error in judgment, accident or incident or unsafe actions are related to substance abuse; when there is an accident or near accident involving personnel in which injury to persons or damage to property has occurred or potentially could have occurred; or when an employee returns from absences of six weeks or more.
2. *Post-Accident Testing.* If an employee suffers an occupational on-the-job injury requiring treatment from a doctor; causes injury to a coworker requiring treatment from a doctor; or receives an injury due to the employee's failure to wear required personal protective equipment, drug testing may be required.
3. *Random Testing.* All (or specified) employees are subject to routine drug/alcohol testing in order to prevent and detect substance abuse.

F. Notice of Grounds For Termination or Disciplinary Action for violations of Workplace Substances Abuse Policy.

The company reserves the right, at any time, to inspect or search any person, place or thing on company premises to enforce this policy. Any preliminary investigation of a policy violation may require placing an employee on suspension pending review of the surrounding circumstances, facts and final determination of test results.

1. *Failure to Comply.* Failure to comply with the provisions of this policy, including not submitting to require medical or physical examinations or tests when requested to do so, constitutes a policy violation and will be considered

grounds for disciplinary action. Discharge or suspension without pay for a first offense, except as otherwise provided in this policy.

2. *Substance Abuse Violations.*

a. Illegal Drug Use. Any employee found in violation of this policy due to the use, abuse, presence in the body or reporting to work under the influence of drugs/alcohol or bringing of illegal drugs onto Shoppers Value's premises; the use, possession, transit, transfer, storage, concealment, promotion, sale or attempt to sell any form of illegal drugs or substances while on company premises or on company business, at any time during the hours between the beginning and the ending of the employee's work day, whether on duty or not; or the possession or sale or attempt to sell drug-related paraphernalia will be subject to disciplinary action up to and including discharge. Possession or sale of illegal drugs or substances will be cause from immediate discharge.

b. Alcohol Abuse. Any employee who is under the influence of alcoholic beverages at any time while on company premises, on company business or at any time during the hours between the beginning and ending of the employee's work day, whether or not on duty, shall be in violation of this policy and is subject to disciplinary action. This action specifically includes, but is not limited to discharge or suspension without pay from employment, even for the first offense. An employee shall be determined to be under the influence of alcohol if his/her normal faculties are apparently impaired due to consumption of alcohol or if the employee has a blood alcohol level of 0.04 percent(40MG/DL blood) or higher.

GENERAL LOSS-PREVENTION POLICIES FOR STORE EMPLOYEES

You as a new employee are beginning a relationship which we sincerely hope will be long and productive. You are now part of an organization of people who are expected to respect their fellow employees and to be open and honest in their dealings with each other. We encourage an atmosphere of mutual trust and ask you to be part of it. The company pledges to you that it will observe this spirit in all of its dealings with you.

In the course of your work here you will discover that employees have many tempting opportunities to profit from taking valuable merchandise and money. For some people it may be the first time they have been exposed to such temptations. Temptations are normal in every walk of life and in every type of work. Only when employees yield to these temptations will their *action* become wrong.

In the spirit of being honest in your dealings with each other, the company has implemented certain loss-prevention policies to help alleviate temptation. As you read and study these rules, you will probably recognize many precautions the company has taken to discourage dishonesty in its various forms. The complete support of these policies will establish the necessary trustworthiness in all employees. In the final analysis, however, each employee must make the choice to follow, or not to follow the rules. Each employee, therefore, is responsible for his/her own honest behavior.

Policy support by employees is continually monitored by our management to maintain the trust necessary for proper operation of our business. Please understand, as you see these policies enforced around you during your daily routine of work, management is not questioning anyone's integrity, but rather, is trying to "catch" employees doing things right. We encourage our managers to recognize those who consistently support our policies and do things right.

In the spirit of being honest in our dealings with each other, we are asking your to be loyal to your future and to the future of this company by doing things right. In your loyalty to us we request that you report dishonesty in its various forms. In our loyalty to you, we promise to keep your report confidential. The benefit to you and to our company will be continued success.

EMPLOYEE LOSS-PREVENTION POLICIES

Cash Control

Policy: Each cashier will be responsible for his/her own cash drawer, and will code-in and code-out only on that drawer. No cashier will operate out of another's cash drawer. Each cashier will be present at the audit when cash is counted at the end of each shift.

Depending upon the type of cash register, when the cashier goes on break, or goes to lunch, his/her cash drawer will be locked, or taken out and placed in a cash drawer safe. The relief cashier will operate from a second cash drawer.

Cashier supervisors will conduct unannounced cash audits on all cashiers at least once a week. These audits will be staggered throughout the week and throughout the shifts. Some will be close to the end of the shift, others in the middle, or close to the beginning of the shift. These unannounced

audits are not questioning a cashier's integrity, but rather are conducted to maintain trustworthiness in all cashiers.

At the end of all cash audits, whether they are standard end-of-shift audits, or unannounced audits, each cashier must balance within our published tolerance of \$2.00 over or short.

Consequence: Cashiers who cannot control cash, that is cannot balance consistently within our published tolerance of \$2.00 over or short at anytime during their shift, are subject to termination.

There are four ways a cashier can balance consistently: 1) always checking to the penny; 2) always checking short; 3) always checking over; and 4) always checking within our tolerance, over or short.

It is the latter to which we refer when stating the cashier must "balance consistently within our published tolerance of \$2.00 over or short."

CASH CONTROL FOR CONVENTIONAL AND SCANNING REGISTERS

Cashier Loss-Prevention Policies

Policy: From outside the store the front-end operation is to be visible through the front windows. The customer's view of the index window is never to be obscured. Make sure impulse sales racks never cover the index window.

Consequence: Violations are grounds for termination.

Policy: Transportation of cash is a cashier function. Cashiers are to carry his/her cash drawer. No sacker is to carry cash. No change is to be made from another cash drawer. All buying of change and cash pick-ups are to be transported by front-end management or cashiers.

Consequence: Violations are grounds for termination.

Policy: At the end of the shift the cash drawer will be taken out of the register with management present. The drawer **will not** be taken out with an "X" reading. It will be taken out with a "no-sale" reading, or by a "code-out."

Group, or "X" readings, if not taken at a remote register in the office, will then be taken by a third party not involved in counting the cash.

Management will count tills at end of shifts.

Consequence: Violations are grounds for termination.

Policy: Managers are to inspect the store periodically to confirm policy is being supported. Once a week the manager is to conduct an unannounced cash audit on each shift operator. Once a month the store supervisor is to conduct an unannounced cash audit on each store manager's shift. These unannounced audits are to vary in time and day.

At the end of the shift two people must count the cash together, the one going off the shift and the one coming on the shift. The cash drawer is to be taken out with a "no-sale" and a new cash drawer with the proper starting cash inserted into the register. Group, or "X" readings are taken by the person coming on the shift after the cash drawer is taken out. The reading is not to be shown to the person counting the cash. The person going off the shift counts the cash at the check stand, while the person going on the shift waits on customers. After the cash report is completed the person coming on the shift attaches the reading to the cash report.

Consequence: Violations are grounds for termination.

Policy: Sales are to be rung in succession. Change placed on the counter by an impatient second customer while waiting on the first customer, is to be rung immediately following the sale of the first customer, and before ringing the sale of the third customer.

Cashiers are not allowed to accept tips. If the customer says, "keep the change," the "change" is to be immediately dropped into the safe. It is not to be rung as a sale, nor placed in the cash drawer, nor placed into the pocket, purse, or billfold of the cashier.

Cash register area is to be neat and orderly at all times with no foreign objects lying around. Coins found lying around outside the register are to be rung as a sale immediately. Give-a-penny, take-a-penny cups and trays are forbidden.

The cash drawer is to be neat and orderly at all times with no foreign objects in it. All paper money must be face up and turned the same direction at all times. All coins are to be in their correct banks at all times.

All moneys in the cash drawer belong to the company. No cashier is permitted to collect coins that belong to the company. No cashier is permitted to purchase coins for collection that belong to the company.

Policy: No tally marks or numbers are to be kept on anything other than on forms designated for that purpose, such as void/overring, and cash refund or payout forms. Only appropriate figures are to be listed on these forms. No other figures are to be listed on the front or back of these forms.

Consequence: Violations are grounds for termination.

Policy: All sales are to be entered into the cash register. Calculators are not to be used for ringing sales. Calculators are to be a minimum of ten feet from all cash registers. Employees are not allowed to have their personal calculator near the register, nor wear a calculator wrist watch while operating the register.

Consequence: Violations are grounds for termination.

Policy: There will be one “X” reading per shift, taken at the end-of-shift cash audit only. The person counting the cash is not to see the reading, nor have the reading in his/her possession. Only management takes “X” readings. Readings are not to be in the possession of those counting the cash.

Consequence: If an “X” reading is taken more often than once a shift it is a violation, and is grounds for termination.

Policy: Management will periodically do unannounced cash audits. This is not questioning the cashier’s integrity, but rather it is maintaining trustworthiness. Upon completion of the unannounced audit, the cashier must be within our tolerance of \$2.00 over or short.

Consequence: Should the cashier not be within our tolerance, it is grounds for termination.

Policy: Cashiers are not to wait for customers to display their money before sales are entered. Cashiers are not to quote the price and tax before sales are entered. Cashiers are to enter all sales, or scan all sales immediately, without hesitation, including single-sale items. After entry of prices, cashiers are to subtotal the sale, quote the subtotal to the customer immediately before accepting the customer’s payment, even the single-item purchase. After subtotal, the cashier asks, “Will there be anything else?” If there are no additional sales the cashier is to immediately total the sale. The cashier is never to bypass the subtotal key and go directly to total.

Consequence: Failure to strictly comply with the above is grounds for termination.

Policy: No-sales are never to be entered for legitimate purchase. All sales, without exception, will be entered at the correct price and in the appropriate department. When no-sales are required to open the cash drawer for any reason other than sales, the no-sale receipts will be initialed by the cashier, with a brief description written on the receipt for why the no-sale was entered. All no-sale receipts are to be attached to the void/refund report. At the end of the shift the number of no-sale receipts must equal the no-sale total on the “X” or “Z” reading. All legitimate reasons for entering a no-sale will be analyzed daily by management.

Change to customers who are not purchasing anything is considered a customer courtesy function performed by management only. Individuals wanting change should not be permitted to take valuable time from paying customers. Therefore, cashiers are not permitted to give customers change outside a purchase. Customers wanting change are to be directed to the Courtesy Booth.

Cash pick-ups and replenishing of change is a management function. When front-end supervision performs these functions the front-end supervisor initials the no-sale receipt, briefly describing the reason. When a cashier is low on change he/she is never to give a large bill to an adjoining cashier in exchange for change. Instead the cashier is to call front-end supervision.

When each shift operator gives customer change outside a sale the shift operator will initial the no-sale receipt, writing on it "change to customer." The receipt is to be attached to the void/overring report. At the end of the shift the receipts must equal the no-sale total on the "X" or "Z" reading. Average no-sales for efficient operation will be monitored by management daily.

Ringling a no-sale because the wrong change has been given to the customer: the no-sale receipt must be initialed by the cashier and "wrong change" written on the receipt. Management will monitor this daily.

Consequence: Unauthorized no-sale rings are grounds for termination. Should a cashier have too many authorized no-sale rings for efficient operation the cashier is unable to control cash. Since too many no-sale rings constitute the inability to control cash, it grounds for termination.

Policy: All sales must be rung at published price.

Consequence: Abnormal sales entered for which the department has no such price are grounds for termination.

Policy: All sales must be rung at published price, and entered in the correct department.

Consequence: Underrings are ground for termination.

Policy: The cash drawer is to be closed immediately following each sales transaction, and before entering the sale of the new customer. If a customer purchases an impulse item after the sale is totaled, and before the cash drawer is closed, the impulse item is considered a new sale. The drawer must be closed after the original purchase, and the impulse item entered as a new sale. Should a cashier legitimately forget to enter an item after the sale has been totaled, the forgotten item is to be considered as a new sale. The drawer is closed immediately following the original sale, and the price entered for the forgotten item is a new sale.

Consequence: Placing money in an open drawer without first closing the drawer and entering it as a sale is grounds for termination.

Policy: In a large and small store all cashiers are responsible for their own cash drawer. No two people will work from a common drawer. When a cashier goes on break, either the register is locked with a code or a key, or the drawer is taken to a drawer safe. The relief cashier operates from a new drawer.

Consequence: Shortages below our published tolerance is grounds for termination.

Policy: Customer change will be counted back to the customer.

Consequence: Failure to do so is grounds for termination.

Policy: All customer merchandise is to be sacked properly. If customers sack their own merchandise, cashiers are to be observant to make sure customers don't forget anything. Customers who discover they do not have enough money to pay for what has been rung requires management assistance. Management will void any necessary items, returning the merchandise to the Courtesy Booth to be placed back on the shelf. If the customer forgot his/her check book (or cash), and intends to return to the store, the sale is totaled and the sacked merchandise is immediately taken to the Courtesy Booth. When the customer returns to the store with payment, the merchandise is picked up and paid for at the Courtesy Booth.

Consequence: Failing to sack all customer purchases is grounds for termination. Failure to notify management when customers run out of money is grounds for termination.

Policy: After the cashier greets the customer, and before any sales are rung, the cashier is to ask the customer if he/she has any coupons. The amount of the coupon is to be subtracted within the sale immediately following the entry of the couponed product. Coupons are not to be subtracted following the subtotal. This forces the cashier to match the correct coupon to the proper merchandise, and keeps the customer from slipping in coupons for product not purchased.

Consequence: Failure to handle cents-off coupons properly is grounds for termination.

Policy: Food stamps are to be accepted only for those authorized products. La Purchase cards must be present and swiped. No card number can be hand keyed without card and identification present; this must only be done by management.

Consequence: Failure to handle food stamps properly is grounds for termination.

Policy: In large stores employees are to shop after working hours. Cashiers are not permitted to ring their own sales after they shop. Management will ring sales for all employee shoppers. Purchases made during break are also to be rung by management. The employee is to carry the receipt as proof of payment. Management must sign receipt.

Consequence: Failure to follow this policy is grounds for termination.

Cashier Behavior

No eating or drinking at registers. No chewing gum.

Personal phone calls or use of cell phones on the clock is not permitted.

Never guess on a price. Get the price verified with a price check. Write down any pricing problems for the scanning coordinator.

Never leave your register without permission. When you do leave, make sure you lock it by entering your cashier number.

If you do not have a liquor license, **DO NOT** scan any alcohol; call for customer service. Even if you are over 18 you must have a Shoppers Value license. You need to go and get one if you are 18 or over. Ask management for details.

All cashiers are responsible for their own re-shops (items left on their register customers did not want). All re-shops must be done before you leave for the day. If there is a perishable re-shop, please call for that perishable manager right away.

Consequence: Violations are grounds for termination.

CHECK CASHING PROCEDURES

1. Always verify identification by using a Louisiana's driver's license or ID. Please make sure that the check writer/casher is actually the person in the picture on the ID.
2. Information that is needed on the check is as follows:
 - a. Name
 - b. Address – not a PO Box
 - c. Home phone number
 - d. LA Drivers license number
 - e. Place of Employment
 - f. Work phone number
 - g. Date of Birth
3. Do not take any out of state checks
4. Do not take any checks with the customer using an out of state ID
5. Do not take any post dated checks
6. When cashing a check, always use the machines and take a picture of the customer, the check and ID.
7. We do not cash any personal or company checks.
8. Checks are only taken for the amount of purchase – no cash back.
9. Do not take counter or non pre-printed checks.
10. All checks over \$100.00 must have manager's approval.

WIC PROCEDURES

1. Absolutely no substitution on WIC items.
2. Do not complete WIC order if we can not give every item without exception.
3. Once all items have been scanned, total up the order and write the correct WIC total on the back of the WIC voucher and place your initials by the total.
4. Double check to make sure that the voucher is being used in the correct month.
5. Make sure customer signs the voucher in your presence.
6. Once you have verified the information, bring the check to the office manager for them to fill out the amount on the front of the WIC voucher. Once this is done, place the voucher in the drop box underneath your register.

VOID POLICIES

Policy V1: In larger stores (voiding entire sale): Cash register voids are at all times to be key or code locked so that cashiers cannot void sales alone. Managers only are permitted to void sales with their personal void key and/or code. Managers are never to transact voids alone, but rather, only and always in the presence of the customer and cashier. Managers are never to take shortcuts and sign off void reports in advance, or give their void key or code to cashiers. With manager and customer present, cashiers will fill out void report in their own hand, sign and paper clip voided receipt to report. Both the cashier and manager will initial the void on the journal tape. If customer is willing, customer is to sign void report, with his/her address and/or telephone number included. If customer opts not to sign the void report, the manager will write "customer opts not to sign" where the customer would have signed." The manager then signs the void report just beneath the cashier's and customer's signatures, and only after the cashier and customer sign in the manager's presence. Managers are never to sign void reports in advance, and then allow cashiers to complete the reports alone.

If the customer will be returning to the store within a few minutes with payment, management will take sacked merchandise to the courtesy booth, where customer will return to make payment after merchandise is re-rung. If customer will not be returning to the store, then the merchandise will be put back on the shelf immediately by a stocker. Cashiers are never permitted to return voided merchandise to stock.

At the end of each week, the store manager (not the manager who signed the void reports), will mail a standardized "courtesy letter" to all void customers, requesting they verify the void transaction amount, asking if they were satisfied with the courteous manner in which the void transaction was handled, and invite them to shop the store again.

Policy V2: In small stores (voiding entire sale): Stores with two or more employees on duty may opt to follow the policy for large stores. Stores with one employee on duty will request customer sign the void report, listing name, address, and telephone number of customer. The employee on duty will also sign the void report and paperclip the voided receipt to the report. The employee will then initial the void on the journal tape. Within 48 hours of the voided transaction, the store manager or store supervisor will send a standardized "courtesy letter" to the customer. Depending upon the dollar amount of the void, the manager or supervisor may opt to give the customer an earlier telephone "courtesy call."

Consequence: Failure to follow any portion of this policy as written is grounds for termination.

Policy V3: Leftover sales receipts: Cashiers are not to allow a string of receipts to accumulate on the register tape. All receipts are to be torn off after each sales transaction.

Never ask customers if they want receipts. Receipts are to be placed in the customer's package, or handed directly to the customer. Should a customer reject a receipt, the cashier is to immediately tear the receipt in quarters and place it in the trash before waiting on the next customer.

Policy V4: Overrings: Both the overring receipt and re-ring receipt is to be kept by the cashier and signed

by the cashier. The cashier is to write a description of the re-ring product on both the re-ring receipt and on the journal tape. If customer is willing, customer is to print name, address, and telephone number on receipt. Or, if willing, customer may sign the void/overring report, with address and/or telephone number. Store manager will verify with customer by courtesy letter or by telephone call.

Consequence: Cashier with too many legitimate overrings is incapable of running the register properly and either will be terminated or transferred to another position.

Cashiers found with receipts lying around, or in a stack, or accumulated on the register tape, are subject to disciplinary action, and possible termination.

Policy V5: In both large and small stores, follow above void policies. To prevent sweetheart theft, see section on SWEETHEARTING. (See next page of Sweet hearting Policies)

Policy V6: Fraudulent “item correction” or error correction” voids are usually in combination with sweet hearting. Error correction or voids are only to be done with approval from manager.

Consequence: Experienced cashiers have very few error corrections. Cashiers with high counts of item or error corrections will either be retrained, transferred to another position, or terminated

Policy V7: Authorized void codes, passwords, and keys (in large stores). Employee codes and passwords are to remain confidential. No employee is to give another person his/her code or password.

Void keys are never to be kept in the cash drawer, or in the void keyhole. Cashiers are never to have void keys on their person. Void keys are to be kept on the person authorized to supervise cashiers. This authorized person is never to give void keys to unauthorized persons, nor is this person to be preoccupied with a project that forbids him/her to promptly answer all void requests when paged by cashiers.

Policy V8: Authorized void codes, passwords, and keys (in small stores). Stores with two or more employees on duty may opt to follow Policy V7. Stores with only one person on duty, codes, passwords, and keys are not necessary. Follow Policy V2.

Consequence: Failure to secure void passwords and keys is grounds for termination. Unauthorized-ed personnel caught with register void keys will be terminated.

Policy V9: Reviewing journal tapes. Upper management, or the loss-prevention department, will randomly view electronic journal tapes from several registers and scroll down them to see if any portion has been tampered with.

Policy V10: Employee ringing own sale. Employees, including management, are not permitted to ring their own sales. Employee’s sales are to be rung by management, and management’s sales are to be rung by other management and signed. To make sure this is complied with; employees who purchase items must keep sales receipts with items. Before leaving the store, management is to check items

against sales receipts. Management will keep sales receipts and check them against the appropriate register's journal tape to confirm if the sale was voided or not.

Store managers are to periodically examine the electronic journal tapes of other shifts for voided sales. Area supervisors are to do likewise for the manager's shift.

Policy V11: Cashier Supervisor's responsibility to voids. Store manager will periodically examine all cashiers' void reports. From time to time, and with the cashier supervisor present, the store manager will have each cashier verify his/her initials and/or signature on void reports.

Store manager will periodically have unscheduled meetings with cashiers and cashier supervisors to discuss how to better solve front-end problems. Giving short notice to the cashier supervisor, the store manager will gather a week of void reports and journal tapes for the meeting. In the meeting each cashier will have copies of his/her void reports and journal tapes, and discuss with each other how to improve the void policy.

Policy V12: Audit of store management's paperwork. Store management's paperwork is to be completed at the store during open hours, and never is paperwork to be taken home. Twice to four times a year, all paperwork of store management will be audited unannounced by upper management, loss-prevention, or corporate auditors.

Each time store management falls behind on paperwork and must stay at the store after hours to complete it, headquarters is to be notified. If this becomes a habit, upper management, loss-prevention, or corporate auditors will investigate

Owners or area supervisors will periodically visit the store after closing to make sure all is secure.”

Cash Refunds for Returned Merchandise

Policy: Cashiers are not to permit a string of receipts to accumulate on the register. All receipts are to be torn off after every sales transaction and sacked with the customer's merchandise. Should a customer reject a receipt, that receipt is to immediately be torn in quarters by the cashier and placed in the trash before waiting on the next customer.

Part-time employees are not permitted to work refunds.

Employees returning merchandise cannot make their own refunds. They must follow the standard refund policies for customers.

Customers returning product for refund must have the product and sales receipt showing date product was purchased. If customer cannot produce sales receipt, store manager on duty must make decision after talking to the customer personally. Before customers are refunded cash or merchandise, they must present their drivers license so the refund person can write down name, address, telephone

number, and driver's license number.

Customers returning product should not hold up buying customers in the check lanes. Therefore, cashiers should not be permitted to refund cash for returned product. All refunds (merchandise and bottles) should be handled at a courtesy booth, or returns department, or by management. The customer is directed to take the returned product to the Courtesy Booth for a refund. Management accepting the returned product is not to be the same person refunding money to the customer. A refund slip (made in duplicate) is filled out in the same manner as a check, with customer's name and address listed on the refund slip. The original is given to the customer, who then takes it to a cashier for refund. The cashier fills out the refund report, placing the customer's refund slip in the cash drawer. The store manager will compare daily all refund slips in cash drawers to the duplicates at the Courtesy Booth. The store manager will also send a personal courtesy letter to all customers returning merchandise, asking the customers to verify the list of merchandise reported to have been returned, thanking them for shopping the store, and asking them to return real soon.

When activity on returns is extensive following a sale or holiday, returns department must be adequately staffed with employees, and with a refund manager present at all times. All refunds should be verified by the refund manager before the customer is paid.

Credit card refunds are to be handled in the same manner as cash refunds. Employee refunds on credit cards are to be the same as customer refunds.

Sweetheart Cashiering

Policy: Cashiers, including managers, are not to ring sales for friends or family. If friends or family enter the check-lane where the cashier or manager is working, the cashier or manager is to politely ask them to move to another check lane.

Consequence: Cashiers or managers caught ringing sales for friends or family will be terminated.

Policy: Cashiers are not to ring sales for themselves or for other employees.

Policy: Managers are not to ring sales for themselves. Other managers (department heads), are to ring sales for managers.

Policy: When employees are on break and buy snacks, the sales are to be rung by management.

Policy: With the exception of snacks consumed on break, employees are not permitted to shop during their working hours.

Policy: Employees who shop after working hours must be rung by managers and managers are to sign their full name on employee sales receipt, in the event product is returned for refund.

Consequence: Failure to follow policies on who is to ring sales for whom, and how those sales are to rung is grounds for termination.

Policy: Cashiers are not to wear garments with sleeves below elbows. Management is to be observant of barcodes stuck to wrists, or markings and numbers printed on wrists.

Consequence: Other than permanent tattoos, cashiers found with markings or numbers printed on any part of their arm below the elbows, or on their hands, or barcodes stuck to their wrists, will be terminated.

Policy: All merchandise is to be entered or scanned at full published price. Cashiers are not permitted to discount merchandise for any customer, for any other employee, or for themselves.

Policy: All sales must be rung before sacked. If a cashier sacks merchandise before ringing the sale, it will be considered discounting.

Policy: If for any reason a sale must be voided, the void requires a 3-party transaction (cashier, customer, and manager). See void section of this policy for more details. If cashier voids a sale without following our void guidelines as set forth in this policy manual, the unauthorized void will be considered discounting.

Policy: Void totals on all cashiers are to be examined daily by the store's top manager. If total voids are too high, that same manager is to examine each void on the transaction journal.

Consequence: Cashiers caught discounting merchandise will be terminated, and both the cashier and the one for whom the product was discounted will be prosecuted.

Policy: Neither cashiers, nor employees on the sales area, are authorized to negotiate discounts with customers. No cashier or employee is take money from a customer on the sales area in exchange for product, or for any other reason. All product is to be sold as priced, and sales and money transactions made only at the cash register by designated cashiers.

Management is to be observant of long conversations between employees and customers on the sales area. Management is to intermittently visit the sales area, greeting customers and employees.

Consequence: Employees caught taking money on the sales area in exchange for product will be terminated, and both the employee and customer will be prosecuted.

Policy: Cashiers, including managers, are not to transact refunds for friends and family, or for themselves. Cashiers are not to transact refunds for other employees. Management is to handle refunds of employees. Employees' proof-of-purchase receipt must bear signature of manager who made the original sale, and signature verified by that same manager.

Cashiers transacting refunds at the cash register for customers require a 3-party trans-action (cashier, customer, manager). Detailed instructions for transacting refunds are found in the "refund" section of this policy manual.

Consequence: Cashiers caught refunding themselves, or other employees, or family members will be terminated and prosecuted.

Policy: Employees who know of others stealing from the company are to report the crime immediately.

Consequence: Failure to report a crime will be grounds for termination, and may result in criminal charges of aiding and abetting embezzlement.

EMPLOYEE MERCHANDISE THEFT

Policy: Employees may eat only during breaks and lunch.

In a large store management will ring employee sales after the employee shops for snacks. The employee is to keep sales slip on person. Sales slip must be signed by management.

Consequence: Eating store merchandise without paying for it in the above manner is grounds for termination.

Policy: Trash will be emptied during the day shift only. Evening and midnight shifts are never to empty trash. Manager is to periodically visit the evening and midnight shifts to confirm the policy is being upheld. On the day shift trash is not to be emptied within an hour of lunch or shift end. Management is to periodically inspect the back of the store and dumpster area on all shifts.

In a large store the manager will randomly determine when trash is emptied. All boxes are to be flattened. A second person must inspect the trash before it is emptied, looking between flattened boxes, and opening trash bags to make sure only trash is in them.

Employees, including all management, will park their vehicles in front of the store in clear view from inside, yet out of the way of customer parking. Employees, including produce and market employees, are not permitted to park behind or beside the store, nor next to an exit or beside the dumpster. Employees, including management, are to enter and exit to and from work through the front door or employee door. Employees, including produce and market employees, are never to enter and exit to and from work through a back door or side door. When employees leave work they are not to drive behind the store.

No deliveryman is to empty trash, burn trash, or place trash in a compactor. Employees designated by the manager are to empty trash.

The backroom and outside area behind the store at all times is to be clear of clutter in which stolen merchandise can be concealed.

In larger stores employees may shop after work only. Sales are to be rung by a person in management. Merchandise carried out the front door must have a sales slip which matches the merchandise, and which can be verified on the detail tape or computer and signed by management.

Consequence: Not complying with the above is grounds for termination.

Policy: Employees are never to shop while on duty. Management only is permitted to ring sales of employees, being observant of tampered product, inspecting every box. As sales are rung all merchandise is to be touched, observing weight variances, sliced, or opened boxes. If a box feels too heavy — inspect inside. Open both sides of light bulb boxes. Pick up all magazines by their binders and given them a shake. Be price familiar as product is scanned, periodically looking at a high ticket bar code to make sure it has not been covered with a low price bar code.

Consequence: Any employee not abiding by the above purchasing practices will be subject to termination and prosecution.

Policy: Employees are to leave their purses and garments in their vehicles, or in a locked cabinet, or in the store office. Employees are not to go to their vehicles during break. All employee purses, garments, lunch boxes, thermoses, etc., will be inspected at the end of the shift. No cashier is to empty trash from under the checkout. This is a management function.

Consequences: Employees not complying with this policy are subject to termination.

Policy: Only management or supervision write off damage. If product is damaged then it will be boxed for reclaim. Employees are not permitted to buy damaged goods, nor are they allowed to take home damage designated to be reclaimed.

Consequence: Employees not complying with the above are subject to termination.

Policy: Duplicating store keys are a management function only. Key carriers are to secure their keys at all times, never loaning them out. No unauthorized employee will carry a key. Never give keys to deliveryman. Key carriers are never to enter the store after hours without management present. Management is never to enter the store after hours unless for emergency, and then only with police present. This is for personal safety as well as for loss-prevention. All locks will be changed when a key carrier is terminated.

Consequence: Employees not complying with the above will be terminated.

Policy: Trash will be emptied only on the day shift, and never within one hour of lunch or within one hour ending the shift. The one who bundles the trash will not be the one who carries it out. The manager will designate who takes out the trash, not permitting the same person to take it out twice in a row. The manager or assistant manager will periodically inspect the trash just before it is taken out. Management will daily inspect the dumpster area.

Consequence: Employees who do not follow these guidelines are subject to termination.

Policy: Employees, especially all cashiers, are to be observant of unusual movement of stock to the front of the store without going through the checkouts. All employees' vehicles are to be parked in one designated area in full view of the front end. Employee vehicles are never to be parked concealed from this front end view. The manager and assistant manager will periodically walk outside and look inside employees' vehicles for store merchandise. Employees are never to take their breaks in their cars. Breaks are taken in the break room. The front end supervisor will observe the outside movement of the baggers. If customers wish to leave their merchandise in the store to pick up later, management is to be notified of this, and the merchandise taken to the customer courtesy booth. Booth operator will communicate instructions directly to the customer, and not through an employee mediator.

Consequence: Employees not abiding by these policies are subject to termination.

Policy: The night stock crew supervisor is a key carrier, and permits no one to exit the store until the shift is over. All night crew personnel will park their vehicles in front of the store in one designated area, never beside or behind the store. All doors, including the back door, will be secured throughout the entire night, never to be opened except for an emergency. No trash will be taken out by the night crew. Trash is emptied on the day shift only. Empty boxes are flattened and made ready for the day crew to empty. Management or supervision is to periodically visit the store at night, sometimes observing from the parking lot, or from behind the store. Floor crew and employees will be let out by manager only. The security guard is not a key carrier.

Consequence: Night stock crew members not abiding by these policies are subject to termination.

Policy: Transfer slips for transferring merchandise between stores will be sequentially numbered and inventoried.

In large stores employees below store management are never to initiate transfer between stores. Department heads must go through store management to transfer. Managers from both stores are to be involved in all transfers, signing delivery and receipt of the transfer. Both managers are to have a copy on file. Transferred merchandise leaves and enters through the front door with store managers' full knowledge.

Consequence: Any employee not abiding by the policies for the transfer of stock is subject to

termination.

Policy: Inventory crews, whether internal or external are answerable only to the corporate auditor and loss-prevention director. Never are they answerable to store managers, supervisors, or human resource directors.

The corporate head auditor schedules all inventories. Store managers and supervisors are never to be notified of inventory schedules. Inventory recounts will be taken immediately following a bad inventory — before the auditors leave the store.

Consequence: Employees caught padding an inventory will be terminated.

Policy: Immediate family of head checkers are not to work in the same store. Head checkers are never to take X or Z readings. Those readings are to be taken by the manager after the cash drawers are taken out of the register. Two people count the cash together, filling out the cash report. The manager verifies the readings with the cash report. The head checker will alternate with the manager and assistant manager in counting cash with cashiers. The manager will control the alternating schedule, never making it known until that time arrives. Periodically the manager will be present with the two people counting the cash. All reports filled out by the head cashier must be checked by the manager.

Consequence: Employees deviating from the above policies are subject to termination.

MANAGEMENT THEFT

Embezzlement, Fraud and Manipulation

Policy: The system of handling cash is as follows: One person will fill out the cash report; a second person will fill out the bank deposit; a third person will write checks; and a fourth person will verify the bank statement with the checkbook.

Customers are to be instructed to write checks in the corporate or store name. Checks are never to be written to cash.

Checks cannot be written to vendors without an authorized vendor number or purchase order number from accounting, verified by the buyer, or owner.

Store owner, president, or regional vice president should personally communicate with all vendors periodically.

Consequence: Employees not abiding by the above policy are subject to termination. Forgers will be terminated immediately and prosecuted.

Policy: Rebate and buy-down checks are to be mailed to corporate by the vendor. Never are they to be carried to the store.

Policy: In a large store, payroll reports are to be completed by the store's bookkeeper, or customer relation's manager, and then verified by the store manager. When checks arrive at the store in sealed envelope, only the manager will open the envelope and review the payroll printout from corporate. Checks will then be distributed.

Consequence: Any employee fraudulently cashing another's paycheck will be terminated immediately and prosecuted.

Policy: Bank deposits are never to be left in a car unattended, nor taken home. They are to be taken directly to the bank without any side trips along the way. Deposits are to go by armored car only.

Policy: ATM machine are filled by two managers.

Consequence: Deviating from this policy is grounds for termination.

Policy: Cash counting and bank deposit slips are to be done with two employees present — one being management. Bank bag is to be locked while both employees are present. Deposits are to be taken to the bank daily on a timely basis.

Consequence: Failure to follow this procedure is grounds for termination.

Policy: Two people count the cash together, and together fill out the bank deposit slip.

Consequence: Failure to abide by this policy is grounds for termination.

Policy: All reports will be verified daily and weekly against detail tapes and computer totals by store managers and area supervisors. Paperwork is to be completed at the store, and never is it to be taken home.

Consequence: Employees found altering reports will be terminated immediately and prosecuted.

Policy: Managers are never to be the buyers. Either the owner is the buyer, or there is a corporate buyer. Buyers are not to accept kickbacks or personal gifts of any kind, including birthday and Christmas gifts. Letters will be sent to all vendors periodically reminding them to not consider gifts for employees.

Consequence: Employees accepting samples or gifts from vendors are subject to termination. Employees accepting kickbacks will be terminated immediately.

Policy: Managers are not to be buyers. Owners and corporate buyers will make communication with all vendors, visiting with them personally. Suppliers' federal tax identification number must be on file before bills are paid. Many suppliers prefer correspondence be mailed to a post office box. However, the street address must also be in the corporate files.

Consequence: Employees submitting fictitious invoices for payment will be terminated immediately.

Policy: Cash payouts are to be minimized. Those vendors requiring cash payments will be required by corporate to send a monthly statement to corporate to verify the invoices sent in by management.

Consequence: Any employee found altering invoices will be terminated immediately and prosecuted.

Policy: No invoices are paid without a purchase order number originating from corporate. (This does not apply to DSD deliveries)

Policy: Resalable salvage merchandise will be sold by corporate. Old store fixtures replaced and stored in the backroom will be picked up by the maintenance crew as soon as possible and either sold at auction or sold to a salvage company. Selling salvage is never to be the job of the manager or supervisor.

Consequence: Any store employee diverting funds to his/her own personal use will be terminated immediately and prosecuted.

INVENTORY PROCEDURES

A. Mark up merchandise sporadically throughout the store.

Policy: Area Supervisors must conduct periodic price checks.

B. Give the inventory auditor inflated prices for unmarked items or fictitious figures for items not in the store.

Policy: Inventory auditors should be furnished with a price book. Auditors are never to accept figures from store personnel. Only what the auditors see and count personally is entered in the count.

C. Mark inflated figures on boxes in surplus areas.

Policy: Inventory auditors are to spot check and report irregularities to the corporate head auditor.

D. Manager buys merchandise with his/her own money and sells it in the store.

Policy: The inventory auditors are to report any unusual purchases that have not been posted to the merchandise receiving log. This should be reported to the corporate head auditor.

E. Manager buys merchandise from a wholesale club store with money created by entering a large void.

Policy: Corporate loss-prevention will periodically review the manager's shift report when the manager runs the register, especially just before and following a bad inventory.

Policy: Deliverymen are to deliver during prearranged hours and days. Vendor logs must be verified by corporate to see if during the day of inventory a deliveryman who normally delivers that day did not or supposedly delivered late, after the auditors left.

Policy: All high ticket cases and carton cigarettes are to be store stamped immediately upon receipt. Inventory auditors are to be observant.

COMPUTERIZED DELIVERIES

RECEIVING POLICIES

Who Should and Should Not Check In Deliveries

1. Receiving is a full-time job. A receiver's undivided attention is required at the receiving area. Under no circumstance should a part-time employee be permitted to check in deliveries.
2. Scanning managers or store management only check in vendors.
3. Market manager and assistant market manager are the only market employees permitted to check in market deliveries. Market employees are never permitted to check in grocery deliveries.
4. Produce manager and assistant produce manager are the only produce employees permitted to check in produce deliveries. Produce employees are never permitted to check in grocery deliveries.
5. In order to maintain complete control of the store, store managers and assistant store managers are permitted at their own discretion to check in market, produce, and grocery deliveries, but never should they take on this responsibility full time.
6. In stores with DSD computer receiving, only DSD receiving coordinators are authorized to check in deliveries. Exceptions are market and produce, and sometimes dairy products if store configuration is not conducive to receiving dairy through the DSD door.

Where Deliveries Should and Should Not Be Checked Inside Store

7. Merchandise must never be checked next to the deliveryman's back stock, or next to deliveryman's shelf stock.

Receiving Hours

8. One person should check only one deliveryman at a time.
9. Delivery hours between 6:00 A.M. and 1:00 P.M.

Delivery Log, Discrepancy Reports and Build-To Sheets

10. Deliverymen will make errors, some legitimate, most not. Each error, negative or positive, should be listed on a discrepancy sheet.
11. Build-to sheets are important for the receiver to maintain, especially on high volume, high ticket items, such as beer, milk, soft drinks, etc. The receiver should count those sections on both the sales area and the back room, before deliveries are made. Counts are to be listed on the build-to sheet. A dishonest deliveryman not checked in properly can short your delivery, or add old back stock to the new delivery, whether you have DSD computer receiving or not. A build-to sheet can readily determine a shortage, even after the deliveryman departs the store.

Policy for Handling Credits and Credit Tickets

12. Credits are to be checked before purchases.
13. Credits are not to be listed on the invoice.
14. Separate tickets are to be filled out for credits. Credit tickets are to be clearly marked "CREDIT".
15. Credit tickets are to be filled out before credits are taken from the store. The credit ticket is to include complete description of each unit, the number of units, the per unit cost extended, and the per unit retail extended.
16. Credit ticket math must be extended and added by the receiver before the merchandise is counted.
17. If the receiver finds a mistake on the credit ticket the receiver should tear up the ticket and demand the deliveryman start over.
18. Once the credit ticket has been presented to be checked, it is **never** to be returned to the vendor until the receiver signs it first. After signing the credit ticket, and before returning it to the deliveryman, the receiver is to keep the original, never a copy.
19. On a computer invoice, or hand-written invoice, if there is a shortage on delivery, that shortage is to be written on a credit ticket.
20. List all discrepancies on the Discrepancy Report.

Policy for Handling Invoices

21. Never accept a delivery without an invoice.
22. Never accept an invoice without a delivery.
23. Never accept a short delivery with a higher count, when the deliveryman uses the excuse that he will return with the rest of the delivery later or tomorrow.
24. Never check a delivery from the packing slip, and then sign an invoice which was not verified against the count.
25. Invoice math must be extended and added by the receiver before the merchandise is counted.
26. If there is a mistake on the invoice, or on the delivery, tear up the invoice and have the deliveryman start over.
27. Never accept verbal increases from the deliveryman. The unit cost must agree with your price book.
28. On DSD computer receiving, all price increases and promotionals must be sent to the store two weeks in advance so that it can be entered into the computer. Store will pay computer prices only. No verbal increases on day of delivery will be accepted.
29. On a pre-printed invoice, in-truck computer invoice, or hand-written invoice, if there is a shortage on

delivery, that shortage is to be written on a credit ticket. If the deliveryman claims he has no credit tickets, he must use a standard invoice, stamped by the receiver as "CREDIT".

30. Never allow the deliveryman to spread delivery over two invoices.
31. Never accept delivery when the deliveryman states he ran out of invoices, offering to put purchases on a sheet of paper.
32. If the invoice is a cash payout, make sure "paid" is written on the invoice.
33. If the invoice has appropriate blocks for "paid" or "charge," make sure the correct box is checked.
34. Never allow the deliveryman to hold the invoice while the receiver counts. The receiver holds the invoice and counts. Check-mark or circle each count on the invoice if it agrees. If not, demand the deliveryman make a new invoice and start the procedure again.
35. Never allow the deliveryman to count the product while the receiver holds the invoice.
36. After a hand-written or on-truck computer invoice has been completely checked, store stamp and sign the original only. Never sign through carbons.
37. Never accept an invoice when the original is left on the truck.
38. Before signing the original, take out the carbons. Inspect each copy, verifying dates, store number, counts and totals. Store stamp the original invoice only. Do not store stamp any copies. Store is to keep the real original, (top copy from which count has been verified, and not the first copy printed "Store Original"). Sign your full name in ink on the original where the store stamp has been imprinted. Never initial, and never sign any carbons.
39. Keep the store stamp locked in a drawer.
40. After the delivery has been checked, the invoice signed, and the original kept by the receiver, place the original invoice in a locked box or drawer. Make sure there is no slot in the locked box or drawer.
41. For each invoice counted, extended, and signed, a Reconciliation Report is to be filled out by the receiver and signed by the store manager. This report is to be stapled to the store's original invoice and sent to accounts payable. No statement from the distributor should be paid by accounts payable without a Reconciliation Report attached to the store-stamped and signed original invoice.
42. List all discrepancies on the Discrepancy Report. Have deliveryman sign the report, and turn in to corporate headquarters.

Policies for Cash Payouts

43. If at all possible never pay cash for deliveries, except for alcoholic beverages when state law demands it. Most state laws require either cash, draft, check, or money order for alcoholic beverages. Pay by draft, check or money order instead of cash, if you have a choice.
44. When paying cash for a delivery, the person paying the cash should not be the one counting the delivery.
45. After the receiver checks in the deliveryman he fills out the Reconciliation Report first. With the deliveryman by his side he then takes the Reconciliation Report and original invoice to the manager. The deliveryman's copy of the invoice is then taken by the receiver to the person paying the cash. Cash

is paid directly to the deliveryman.

46. Cash payment should never be given to the receiver to take to the deliveryman.
47. If the receiver is unable to carry the invoice to management, and it is required that the deliveryman carry it, the receiver is to keep the original at the back door with the Reconciliation Report. While the deliveryman is carrying the invoice to management the receiver calls management on the intercom, verifying the invoice amount.
48. Only one cash register or the office shall be designated to make all payouts. Management only makes cash payouts, but never the manager who accepts the Reconciliation Report attached to the original invoice.
49. On all cash payouts, require that the distributor mail corporate headquarters a monthly statement of purchases to verify with the Reconciliation Report.

Policies for the Sequence of Events during the Delivery

50. Deliverymen are never to carry store keys.
51. Deliveries are to be made during designated receiving hours.
52. When the deliveryman arrives he is to sign in on the delivery log.
53. If the deliveryman has a helper the two are not to be separated. Both work together or the helper stays in the truck.
54. All transactions are to be businesslike. No joking with the deliveryman.
55. Never accept samples.
56. Never partially check a delivery, then return later to complete the count. Once the deliveryman enters the store nothing is to distract the receiver until that particular delivery is complete.
57. The deliveryman is never to be left unattended in the backroom. During the receiving process the receiver never leaves the receiving area.
58. While the back door is open the receiver is never to leave it unattended. If the receiver must leave the back door, it is to be closed and locked first. Deliverymen inside and outside must wait until the receiver returns.
59. Deliverymen are to give the receiver a completed invoice before delivery is carried into the store.
60. With DSD computer receiving the delivery man is not to bring in the fresh delivery until credits are worked first.
61. Deliverymen are to work credits first, writing credits on a separate credit ticket before fresh product is brought into the store. Credits are then to be carried to the receiving area to be verified. DSD requires no credit ticket, but must be verified and scanned into the computer first, before fresh product is brought in.
62. While the deliveryman is working credits the receiver verifies invoice math with a calculator.

63. The deliveryman should now be ready to have his credit checked. Never allow swap-outs on credit. Credits are to be written on a credit ticket and count verified, or entered as credit in the DSD computer.
64. Once the credit is verified and credit ticket math verified and signed, the deliveryman takes credit out of the store before fresh product is brought in. With DSD the credit is scanned before taken out, and before fresh is brought in.
65. Credit is then carried to the truck before fresh product is brought in.
66. The fresh product is now ready to be brought into the store. Never is the deliveryman to be counted, or DSD scanned as he rolls by. The complete fresh product delivery is brought into the designated receiving area, away from shelf stock and back stock, then counted or scanned all at one time.
67. Every case of fresh product, sealed and unsealed, is to be opened by the deliveryman during the count.
68. Never is the deliveryman to hold the invoice while the receiver counts or count while the receiver holds the invoice. The receiver holds the invoice and counts the products.
69. With DSD the receiver selects the single item of each product to be scanned. The deliveryman must not assist at all in this. The receiver physically counts the product himself, with the deliveryman assisting only in opening each sealed and unsealed case. Never is the receiver to accept the count from the deliveryman, or take the count off his invoice.
70. Never give the invoice back to the deliveryman after the count. The receiver takes all the carbons out of invoice pad, lifts each copy to verify store number, invoice number, date, count, and total. Receiver store stamps original only. Receiver signs signature (never initials) on the store stamp or original only. Receiver never store stamps, nor signs any copy. Store stamp is not to be left unattended. Keep it under lock and key, or attached to the receiver's belt.
71. Receiver keeps original, and then gives entire pad back to the deliveryman.
72. Never is the deliveryman permitted to carry any fresh product to the sales area until the count is complete.
73. After the product is stocked the deliveryman returns to the receiving area and signs out on the delivery log, making his final exit empty handed. He must not return to the sales area after signing out.
74. Deliveryman is not to remove empty boxes, carry out trash, burn trash in the incinerator, or place trash in the compactor. His final exit is to be empty-handed. The only exception is deposit cases, and then every case must first be inspected by the receiver, looking inside all empties and between every flattened box.
75. Deliveryman is not to longer or loiters in the store, during or after delivery.
76. If you suspect some of your store product has been taken to the truck without authorization, immediately institute truck inspection, with both the store manager and deliveryman present. The store manager will determine if the truck is to be impounded.
77. Insist that all deliverymen adhere to your receiving procedures, or eliminate their product.

DRESS CODE

Cashiers / Stockers / Department Clerks

1. A Shoppers Value t-shirt must be worn at all times.
2. Blue, black or khaki slacks. No shorts or skirts.
3. Belts should be worn if pants have loops.
4. Comfortable enclosed toe shoes.
5. Only Shoppers Value caps are permitted.
6. No excessive jewelry.
7. All employees are responsible for keeping their clothing clean and neat. If an apron or smock is worn, employee is responsible for keeping it clean.
8. Name tags must be worn during shift.

Management and Department Heads

1. A collared shirt must be worn.
2. Blue, black or khaki slacks – no shorts, skirts or jeans.
3. Comfortable enclosed toe shoes.
4. Name tags must be worn during shift.

DISCIPLINE POLICY

1. For cashiers: If your register is over or under by \$2.00 results in you being written up.
2. If you fail to follow dress code, you will be sent home without pay.
3. If you do not follow check writing or WIC procedures you will be written up.
4. If you are caught breaking any policy in this handbook immediate action will be taken that may result in your termination and or prosecution.
5. No show, no call – if you do not show up for your scheduled time, and do not call the store manager on duty, it will be presumed you have quit and will not return.

THREE WRITE-UPS IS IMMEDIATE TERMINATION!

SHOPPERS VALUE CERTIFICATE OF AGREEMENT

PLEASE READ BEFORE SIGNING:

I do hereby certify that I have received and read Shoppers Value's Employee handbook. This includes the abuse of illegal and/or unauthorized drugs/alcohol and the situations requiring drug screening, safety policy, sexual harassment policy, loss prevention policy, dress code and discipline policy. I have had the entire policy explained to me.

I understand that the following violations of the *Workplace Substance Abuse Policy* will result in disciplinary action up to and including discharge, even for a first offense.

- A. Use, consumption or presence in the body of alcohol (above 0.04 percent) or illegal substances during working time.
- B. Abuse, misuse, sale or distribution of prescription drugs, controlled substances, over-the-counter medications or other impairing substances during working time.
- C. Possession, use, sale, distribution or concealment of illegal substance devices for the purposes of using illegal substances during working time or/in the workplace or on Shoppers Value's premises.

I understand and agree to submit to drug screening for the presence of drugs/alcohol, under the conditions of reasonable suspicion, for cause/post-incident testing, random testing, post-accident testing and post-rehabilitation testing.

I understand and agree that compliance with the Workplace Substance Abuse Policy is a condition of employment and if violated, I am subject to disciplinary action up to and including discharge. I understand and agree that if I test positively or fail to comply with a request to submit to a drug screening, I may be terminated.

I acknowledge that I have been given a copy of the Workplace Substance Abuse Policy and I expressly consent to all of its provisions, understanding that strict compliance is a condition of my continued employment at Shoppers Value.

I acknowledge that I have been given a copy of the Safety Policy, Sexual Harassment Policy, Dress Code and Discipline policy, understanding that strict compliance is a condition of my continued employment at Shoppers Value.

Do not sign if you have not read this agreement.

Date/Time _____

Applicant _____

Social Security # _____

Witness _____