

Employee Handbook

A Guide for Our Employees



GRACE FREIGHT

Acknowledgement of Receipt of Grace Freight, LLC Employee Handbook (Company Copy)

I acknowledge receipt of the Grace Freight, LLC (“Company”) Employee Handbook (“Handbook”). I understand that I am responsible for reading and abiding by all policies and procedures in this Handbook, as well as other policies and procedures of the Company.

I also understand that the purpose of this Handbook is to inform me of the Company’s policies and procedures, and it is not a contract of employment. I also understand that the Company has the right to change any provision of this Handbook at any time and that I will be bound by any such changes.

I expressly agree to the provisions of Part 7, Dispute Resolution, of the Handbook, in which I have agreed to use alternative dispute resolution, in lieu of litigation, as the sole means of resolving any dispute that may arise between the Company and me, subject to the Company’s right to seek injunctive relief. I understand that by agreeing to arbitration I waive any right I may have to sue or seek a jury trial. The decision of the arbitrator will be final and binding.

Signature

Date

Please print your full name

Please sign and date one copy of this notice and return it to the Company. Retain a second copy for your reference.

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Welcome

Dear Employee,

Welcome to Grace Freight! We have created a Company just for you!

True, our Company Mission is to deliver freight when and where needed to our clients on a consistent and timely basis. We strive to provide excellent customer service to our clients while providing dependability and stability for our customers and personal growth and stability for our employees. Our reason for existence is to be a unique brokering, logistics and transportation Company dedicated to ensuring that all employees, especially formerly incarcerated individuals, not only have a job, but also vocational training, life skills, financial and transitional life support to become and remain productive citizens in the community.

You are encouraged to review this Handbook and discuss any aspect or any question with your supervisor or anyone in the Company, including me.

We are glad you have joined our team!

Tommie Dorsett

President

Introduction

This Employee Handbook (“Handbook”) is a compilation of personnel policies, practices and procedures currently in effect at Grace Freight, LLC (“Company”).

The Handbook is designed to introduce you to our Company, familiarize you with Company policies, provide general guidelines on work rules, an overview of our suite of life skills benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

This Employee Handbook is not a contract. Grace Freight, LLC does not offer individual employees formal employment contracts with the Company. This Handbook does not create a contract, express or implied, guaranteeing you any specific term of employment, nor does it obligate you to continue your employment for a specific period of time. The purpose of the Handbook is simply to provide you with a convenient explanation of current policies and practices at the Company. This Handbook is an overview; it cannot cover every matter that might arise.

The Company reserves the right to modify any of our policies and procedures, including those covered in this Handbook, at any time. We will seek to notify you of such changes by email and / or other appropriate means. However, such notice is not required for changes to be effective.

Vision

Grace Freight is a unique logistics and transportation organization that adds value in the overall supply chain and provides excellent customer service. A distinctive feature of our business is we also provide employment opportunities and life skills to formerly incarcerated individuals.

Grace Freight will develop employment opportunities for formerly incarcerated individuals – and others – at every level of the logistic and transportation industry, which includes drivers, freight brokers, bookkeepers and administrative positions.

Mission

Grace Freight will deliver freight when and where needed on a consistent and timely basis. We strive to provide excellent customer service to our clients while providing personal growth and stability for our employees.

Grace Freight will empower formerly incarcerated individuals by providing commercial driver’s license training and job placement. Our employees are encouraged to maintain a healthy balance between work, home and spiritual commitments.

A distinctive aspect of our Mission is Grace Freight’s personal and holistic growth development. Our employment commitment not only caters to the immediate basic needs of our employees, but also provides them with vocational training, life coaches and financial management. A key element of our Mission is providing employees life skills necessary to lead a successful life.

Part 1 – Getting Started

Recruitment and Hiring

The Company's primary goal when recruiting new employees is to fill vacancies with persons who have the best available skills, abilities or experience needed to perform the work. Decisions regarding the recruitment, selection and placement of employees are made on the basis of job-related criteria.

Equal Employment Opportunity

The Company is an equal opportunity employer. We will extend equal opportunity to all individuals without regard to race, religion, color, sex (including pregnancy), national origin, disability, age, genetic information, or any other status protected under applicable federal, state or local law. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices.

Your Employment Relationship with the Company

Grace Freight LLC does not offer individual employees a formal employment contract with the Company. Employment is "at will," meaning that you or the Company may end your employment at any time for any lawful reason.

This Employee Handbook is not a contract. It does not create any agreement, express or implied, guaranteeing you any specific terms or conditions of employment. Nothing contained in this Handbook should be construed as creating a contract guaranteeing employment for any specific duration.

Orientation and Training

To help you become familiar with the Company and our way of doing things, the Company will provide an orientation and training session within the first few days after you begin work. Some of the content of the session will depend in large part on the nature of your responsibilities, while other parts will be applicable to all employees. In addition, the Company may periodically offer additional training or educational programs.

Immigration Law Applicable to All Employees

The Company complies with the Immigration Reform and Control Act of 1986 by employing only U.S. citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of work to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (Form I-9).

Personnel Records

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your immediate supervisor of any change in name, home address, phone number, marital status, emergency contact, email address or other pertinent information.

Performance Reviews

Each employee will be provided an initial performance assessment at the end of the first 90 days of employment. During that probationary period, you and your supervisor will have established clear performance expectations for your role. The 90 Day Assessment is to ensure employment fit between you and the Company. Thereafter, each employee should expect a performance review annually on or about the approximate date of hire.

Salary Reviews

The Company continuously assesses competitive pay levels for every role within the Company. Each employee has the opportunity to discuss pay / performance with their supervisor and is encouraged to do so. Each employee's salary will be reviewed privately with the employee at a minimum annually. Salary adjustments may be made by the Company at any time but are normally made annually.

Part 2 – Policies and Practices

Safety

Safety is a joint venture at the Company, involving everyone. We provide a clean, hazard-free, healthy, safe work environment and make every effort to comply with all federal, state and local occupational health and safety laws, including the federal Occupational Safety and Health Act. As an employee, you have a duty to comply with the safety rules of the Company and you are expected to take an active part in maintaining keeping your work environment healthy, safe and hazard-free.

We believe that “**All Accidents Are Preventable.**” You are required to immediately report any accidents or injuries – including any actual or perceived breaches of safety – and to promptly report any unsafe equipment, working condition, process or procedure to a supervisor.

Company Drivers

All Company Drivers will be hired as a W-2 employee. Company Drivers are required to drive exclusively for the Company. A Company Driver is not allowed to drive for an Independent Contractor who is under contract with the Company.

Drug-Free Workplace

The Company takes seriously the problem of drug and alcohol abuse and is committed to providing a substance abuse-free workplace for its employees. Substance abuse of any kind is inconsistent with the behavior expected of our employees, subjects everyone to unacceptable safety risks, and undermines our ability to operate effectively and efficiently.

Email and Internet Access

The email system is the property of the Company. All emails are archived and are subject to review by the Company. Inasmuch as the Company email system is the property of the Company, it subject to monitoring by the Company. System monitoring is done for your

protection and the protection of the rights or property of the provider of these services. Please consider this when conducting personal business using Company hardware and software.

Access to the Internet is provided principally for work-related activities or approved educational / training activities. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect a user's performance of employment-related activities.

The Company email and Internet system is the property of the Company. By accessing the Internet, Intranet and electronic mail services through facilities provided by the Company, you acknowledge that the Company by itself or through its Internet Service Provider may from time to time monitor, log, and gather statistics on employee Internet activity and examine all individual connections and communications.

Violation of this Policy

In all circumstances, use of Internet access and Email systems must be consistent with the law and Company policies. Violation of this policy is a serious offense and, subject to the requirements of law, may result in a range of sanctions from restriction of access to electronic communication facilities to disciplinary action, including dismissal.

Part 3 – Workplace Environment

Discrimination Is Prohibited

The Company is an equal opportunity employer and makes all employment decisions without regard to race, religion, color, sex (including pregnancy), national origin, disability, age, and genetic information. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, benefits, compensation, and training. We seek to comply with all applicable federal, state and local laws related to discrimination.

The Company makes decisions concerning employment based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of other applicants or employees, and the individual's past performance within the organization.

Americans with Disabilities Act (ADA)

The federal Americans with Disabilities Act (ADA) prohibits discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, fringe benefits, job training and other terms, conditions and privileges of employment. The ADA does not alter the Company's right to hire the best-qualified applicant, but it does prohibit discrimination against a qualified applicant or employee because of his or her disability, or because of a perceived disability. As a matter of Company policy, the Company prohibits discrimination of any kind against people with disabilities.

Workplace Harassment

The Company is committed to providing a work environment that provides employees equality, respect and dignity. In keeping with this commitment, the Company has adopted a policy of “zero tolerance” with regard to employee harassment. Harassment of any other person, including, without limitation, fellow employees, visitors, clients or customers, whether at work or outside of work, is grounds for immediate termination. The Company will make every reasonable effort to ensure that its entire community is familiar with this policy and that all employees are aware that every complaint received will be investigated and resolved appropriately.

Sexual Harassment

Sexual harassment is prohibited by federal, state and local laws, and applies equally to men and women. Federal law defines sexual harassment as unwelcome sexual advances, requests for sexual favor(s), or other verbal or physical conduct of a sexual nature when (1) submission to the conduct is made either explicitly or implicitly a term or condition of an employee’s employment; (2) submission to or rejection of such conduct by an employee is used as the basis for employment decisions affecting the employee; or (3) such conduct has the purpose or effect of unreasonably interfering with an employee’s work performance or creating an intimidating, hostile or offensive working environment.

These behaviors may include, for example: subtle or overt pressure for sexual favors; inappropriate touching; lewd, sexually oriented comments or jokes; foul or obscene language; posting of suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons; and repeated requests for dates. The Company encourages reporting of all perceived incidents of sexual harassment, regardless of who the offender may be.

Procedures for Reporting and Investigating Sexual Harassment

Employees should report incidents of inappropriate behavior or sexual harassment as soon as possible after the occurrence. Employees who believe they have been sexually harassed, regardless of whether the offensive act was committed by a manager, co-worker, vendor, visitor, or client, should promptly notify their immediate supervisor. Every claim of sexual harassment will be treated seriously, no matter how trivial it may appear. All complaints of sexual harassment or other inappropriate sexual conduct will be promptly and thoroughly investigated by the Company.

There will be NO retaliation for filing or pursuing a sexual harassment claim. To the extent possible, all complaints and related information will remain confidential except to those individuals who need the information to investigate, educate, or take action in response to the complaint.

All employees are expected to cooperate fully with any ongoing investigation regarding a sexual harassment incident. Employees who believe they have been unjustly charged with sexual harassment can defend themselves verbally or in writing at any stage of the investigation.

To protect the privacy of persons involved, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.

Investigations may include interviews with the parties involved, and where necessary, individuals who may have observed the alleged conduct or who may have relevant knowledge.

At the conclusion of a sexual harassment investigation, the complainant and the “alleged harasser” shall be informed of the determination. Where appropriate, the “harasser” and the “victim” may be offered counseling through an employee assistance program (EAP), or mediation.

Penalties for Violation of Sexual Harassment Policy

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action, as the Company deems appropriate under the circumstances and in accordance with applicable law.

Part 4 – Compensation

Payroll Practices

Employees are paid bi-weekly which occurs every other Friday. When a payroll date falls on a holiday, employees will, when possible, be paid on the last business day before the holiday. Otherwise, employees will be paid on the first business day following the scheduled payroll date.

Part 5 – Benefits

Benefits are provided by Covenant Community Capital and are attached to and made a part of this Employee Handbook.

Part 6 – Holidays, Vacation and Other Leave

Holidays

Employees are entitled to the following paid holidays:

- New Year’s Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve OR Day After Christmas
- Christmas Day

Vacation

The Company recognizes the importance of vacation time in providing rest, recreation and personal enrichment. Vacations are established on a calendar-year basis. Because the Company believes it is in the best interest of both the Company and our employees that employees take

vacation each year, the Company does not grant pay in lieu of time off. Full-time employees earn vacation time as follows:

| | |
|---------------------------------------|-------------------|
| 1st year of employment | Five (5) days |
| 2nd through 5th year of employment | Ten(10) days |
| 6th through 10th year of employment | Fifteen (15) days |
| 11th year of employment and following | Twenty (20) days |

Note: Full Time Employees are paid at their salary per day of vacation; Drivers are paid Flat Rate \$200 per day for vacation.

Eligibility

Employees begin accruing vacation when they first begin work for the Company. Employees may use their vacation at any time after the first 90 days of employment.

Family and Medical Leave (FMLA)

The federal Family and Medical Leave Act (FMLA) allows certain employees to take up to 12 weeks of unpaid leave per year for the serious health condition of the employee or a family member or for childbirth or adoption. An employee who assumes the role of caring for a child is also entitled to receive parental rights to family leave, regardless of the legal or biological relationship. Either day-to-day care or financial support may establish a parental relationship when the employee intends to assume the responsibilities of a parent with regard to a child. Any paid leave that you have accrued may be counted as part of your FMLA leave.

To take FMLA leave, you must provide the Company with appropriate notice. If you know in advance that you will need FMLA leave, you must notify your supervisor at least 30 days in advance. If you learn of your need for leave less than 30 days in advance, you must give notice as soon as you can (generally either the day you learn of the need or the next work day). When you need FMLA leave unexpectedly (for example, if a family member is injured in an accident), you must inform your supervisor as soon as you can.

Notice – Direct Contact Required

When you are absent from work and your absence has not been previously scheduled, you must personally contact your supervisor via phone as soon as you are aware that you will be late or unable to report to work. Leaving a voicemail or message with another staff member does not qualify as notifying your supervisor. When absence is due to illness, the Company reserves the right to require appropriate medical documentation. Excessive absenteeism or tardiness can result in discipline, up to and including discharge.

Part 7 – Leaving the Company

If you wish to resign your employment with the Company, you are requested to notify your manager of your anticipated departure date at least two (2) weeks written notice in advance. You will be paid for accrued but unused vacation time as part of your last paycheck.

The Company asks all employees to participate in an exit interview with their immediate supervisor prior to leaving the Company. This provides an opportunity to return and inspect Company property and tie up any loose ends, including removal of personal items.

Dispute Resolution

The appropriate and preferred dispute resolution is 1) a conversation with their immediate supervisor, 2) a conversation with the President and 3) a formal process of Dispute Resolution, as outlined by the Company. All conversations will create a record to be retained and reviewed / approved by both parties.