Mint Julep Restaurant Management Group Inc. Doing business as



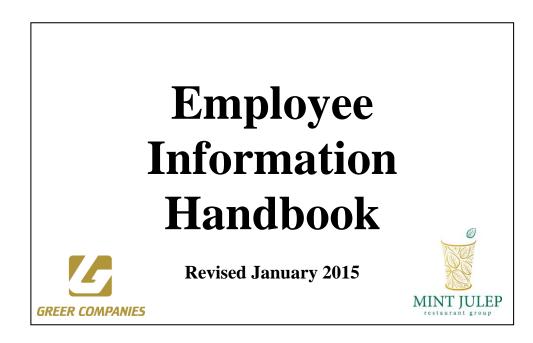


TABLE OF CONTENTS

Subject	Page
Welcome	3
Our Values	4
Our Guests	4
Corporate Balance	4
You Attitude	4
Your Purpose	4
Equal Employment Opportunity	5
Employment at Will	5
Alternate Dispute Resolution	5
Open Door Policy	5
Safety	5
Harassment Policy	6
Family Medical Leave Act	7
Parking	7
We Need to Know About You	7
Computer/Electronic Messaging System Policy	7
Probation Period	8
Evaluations	8
Length of Service	8
Promotions/Transfers	8
Termination of Employment	8
Payroll Procedure	9
Schedules	9
Solicitation Policy	9
Attendance	9
Dress and Grooming Policy	10
Sanitation	10
Safety Rules	10
Guidelines for Appropriate Conduct	11
Procedure for Corrective Action	11
Alcohol Awareness	12
Illegal Drugs, Alcoholic Beverages, Firearms and Weapons	12
Customer Accidents and Complaints	12
Telephone and Mail	13
Facility Cleanliness	13
Military Service	13
Reserve Duty	13
Employee Meals	13
Vacation	14
Acceptance of Handbook	15

Welcome to the Fun!

On behalf of all of us at MJRO LLC doing business as Cheddar's Casual Café; **Welcome** to the fun. You have been carefully selected, and we are pleased to have you as a member of our team. To better acquaint you with our company, we have prepared this handbook. It will answer a number of the questions you may have and explain our policies and procedures.

If you have any questions please ask. It is important that you have an understanding of your job responsibilities to become an integral team member of the "Cheddar's family."

<u>All employees</u> are expected to know and follow Company *policies and procedures*, including those contained in this *Employee Information Handbook*. Your employment should be mutually beneficial. We have developed operating systems intended to make your position rewarding and your contribution a valuable one.

Cheddar's is a professional and service oriented business. Our primary task is to provide **Legendary Service** and to <u>exceed</u> our guests' expectations. This task is the responsibility of every team member.

We look forward to a mutual professional relationship as we work towards our primary goal. We look forward to you **doing well**, having fun and a successful career opportunity with us. We hope to help develop you in reaching **your personal goals**. In turn, we hope that you will give us the chance to work with you in keeping Cheddar's a leader in the restaurant industry.

Please feel free to review any of this material with any of your training team members, or with a member of your management team.

If you ever need to contact a management person beyond the restaurant level for any reason you may contact me at (859) 269-1966 ext 131, **Phil Greer** at ext 101, **Lee Greer** at ext 111 or **Steve Pottinger** at ext 107.

Again, welcome.

Mike Wright Director Human Resources We are very passionate about three things:

- 1. Fresh, quality food
- 2. Quick efficient service, and
- 3. Happy employees and guests

OUR GUESTS

We have committed to provide generous portions of terrific food, attentive and quick service, a beautiful building, and reasonable prices. Once you have the opportunity to taste for yourself, you'll understand the fruits of our passion for quality and quantity. These are what our guests appreciate:

- "Wow" food. High quality ingredients, made from scratch recipes, huge portions.
- Quick paced, happy-friendly-fun service.
- Positive mental attitude and teamwork of every employee the guest comes in contact with.

CORPORATE BALANCE

Picture our company as a three-legged stool. One leg represents our guest. One leg represents the employee. One leg represents the investor. If these three legs are not equally appreciated, the stool gets out of balance and may tip over. An example would be this: If we decide to raise prices too high to give our investors a better return on their investment our stool would have the "investor leg" too long, therefore out of balance. If we decide to pay our managers and employees above the "employer of choice" rate, that leg would be too long therefore tilting the stool. The same goes for the customer leg. If our pricing was too low with our portions too large our "customer leg" would be too long causing an imbalance. The moral of the story: We must think passionately yet equally about our three most important parts:

- Our Guests
- Our People
- Our Investors

To fulfill our passion, we need you and your positive mental attitude throughout your training and beyond.

YOUR ATTITUDE

A good attitude radiates pride and company enthusiasm and it's a sure way to guarantee guest satisfaction. All of us must work together to satisfy our guests regardless of one's designated work area. Remember "every table in the restaurant is in your section." Respond positively to whatever guests ask within reason. For anything beyond that, the manager should be consulted. Our guests are not always right, but it is in your best interest and the Company's to make them feel they are.

YOUR PURPOSE - EBEG

Everything Begins and Ends with the Guest. That just about sums it up. But it goes beyond that. Our objective is to prepare you to meet the exciting day to day challenges of serving our guests, cooperating with your coworkers, and having fun while doing it.

- 1. Be prepared
 - a. Begin your shift with your purpose in mind "EBEG"
 - b. Begin your shift with your positive mental attitude "Smile"
 - c. Begin your shift with your mind made up to help and improve team work "Contribute"
- 2. Commit to do better than yesterday. Everyday. And hold your co-workers accountable to do the same.
- 3. Help Others "every table in the restaurant is in your section." Practice teamwork in everything you do.
- 4. Have Fun celebrate your and your co-workers' achievements daily. Show your smile constantly.

EQUAL EMPLOYMENT OPPORTUNITY

MJRO LLC provides equal opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin, marital status, age, disability, or status as a Vietnam-era or special disabled veteran in accordance with applicable federal laws. In addition, the Company complies with applicable state and local laws governing nondiscrimination in employment in every location where the Company has facilities. This policy applies to all terms and conditions of employment, including but not limited to hiring, placement, promotion, termination, layoff, recall, transfers, leave of absence, compensation and training.

EMPLOYMENT AT WILL

This handbook contains policies and guidelines to help in understanding the Company's employment expectations. Nothing in this handbook or in any employee handout should be construed as an employment contract or the basis for any implied contract, with the exception of the ADR Plan. Policies contained in this handbook and in any employee handout are subject to change at any time, with or without notice. The Company and its employees have an "at will" employment relationship, which means either party may terminate the relationship at any time. If you have any questions or need additional information, ask your Manager on Duty. She or he will gladly answer your questions.

ALTERNATE DISPUTE RESOLUTION

We try hard to maintain a safe and friendly working environment in which the personal welfare and the legally-protected rights of each employee are respected. Despite our best efforts, employees may occasionally become involved in an accident, or may become involved in a disagreement, or may feel that a legal right has been violated. To deal with those situations, we maintain an Open Door Policy which encourages an employee to contact any member of management to address their concerns. In addition, the Company has established an Alternate Dispute Resolution Plan (ADR Plan") which requires employees to voice their complaints in a meaningful, yet cost-effective manner rather than resorting to a costly and often lengthy process in a court of law or at an administrative agency. Every employee will be expected to become familiar with the Company's ADR Plan and to acknowledge acceptance of its terms. A copy of the ADR Plan Manual is included in the orientation materials.

OPEN DOOR POLICY

The company encourages a policy of Open Communications. It is our Policy to provide opportunities for you to express yourself without fear of repercussions. If you have a question or problem, it is our goal to provide fair and objective consideration of that question or problem.

Unless you are uncomfortable speaking with your manager, it is usually best to give your manager the first opportunity to help you. Between the two of you, nearly all problems or misunderstandings can be resolved in a timely manner. If a situation is not resolved between you and your manager or if circumstances cause you to wish to speak to someone else, feel free to discuss it with the next highest level of management or with the Director of Resources Manager.

It is the intent of Cheddar's to treat employee inquiries and comments in the most confidential manner possible.

SAFETY

Safety in the workplace is the top priority at our Company. It is our policy to provide all of our employees a safe environment in which to work, personal protective equipment necessary to work safely, and safety related training.

All employees have the right to review the appropriate documents that relate to chemicals or potentially hazardous materials to which they may be exposed in the workplace. Chemicals can, and must, be handled in a safe manner. All employees will be trained in the proper use and handling of chemicals or potentially hazardous materials to which they may be exposed.

You are of the greatest importance to your family, your friends and our Company. Please take the time to practice safety on your job – people are depending on you.

HARASSMENT/DISCRIMINATION FREE POLICY

MJRO LLC expressly prohibits any form of unlawful harassment or discrimination based on race, color, religion, sex, national origin, familial status, age, handicap or disability, or status as a Vietnam-era or special disabled veteran, or actions made in retaliation for complaints of unlawful harassment or discrimination. Improper interference with the ability of our employees to perform their expected job duties is not tolerated. With respect to sexual harassment: Cheddar's prohibits:

1. Unwelcome sexual advances; requests for sexual favors; and all other verbal or physical conduct of a sexual nature, including but not limited to situations where

- A. Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
- B. Submission to or a rejection of such conduct is used as the basis for decisions effecting an individual's employment; or
- C. Such conduct has the purpose or effect of creating an intimidating, hostile or offensive working environment.
- 2. Offensive comments, jokes, innuendoes and other sexually oriented statements.

COMPLIANT PROCEDURE

Each employee is responsible for maintaining an atmosphere free from discrimination and harassment, sexual or otherwise. Furthermore, employees are responsible for respecting the rights of their co-workers.

If you believe you have experienced any job-related harassment or discrimination based on your sex, race, religion, national origin, familial status, age or disability, or if you believe you have otherwise been treated in an unlawful manner, you are required to promptly report the incident or experience to your immediate manager, who will take steps to initiate an investigation of the matter and take appropriate action, which include reporting the incident to the Director of Human Resources, the Executive Vice President and/or Phil Greer.

If you are uncomfortable_discussing this matter with your immediate manager, you may contact your General Manager, the Director of Human Resources Mike Wright (859) 298-9406 or Executive Vice President Steve Pottinger (859) 269-1966 extension 107.

If you are uncomfortable discussing any job-related matters with your immediate manager, General Manager, Director of Human Resources or Executive Vice President, you may report your concern directly to Phil Greer @ 859-269-1966 extension 101 or contact Mr. Greer at his office at 3620 Walden Drive, Suite 200, Lexington, Kentucky 40517.

If you have reported an incident or experience to your manager or anyone else identified in this Complaint Procedure and feel as though your Complaint has not been sufficiently addressed or otherwise handled in a timely fashion, you should promptly contact Phil Greer (859) 269-1966 extension 101 or contact Mr. Greer at his office at 3620 Walden Drive, Suite 200 Lexington, Kentucky 40517

INVESTIGATION PROCESS

Your complaint will be kept confidential to the maximum extent possible.

If the Company determines that an employee is guilty of harassing another employee, appropriate disciplinary action will be taken against the employee, which can include termination.

MJRO LLC prohibits any form of retaliation against any employee for making a bona fide complaint under the Harassment/Discrimination Free Workplace Policy, and further prohibits retaliation against anyone providing assistance offered in good faith in any complaint investigation.

FAMILY MEDICAL LEAVE ACT

MJRO LLC will provide up to twelve weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons. Employees are eligible if they have worked for the Company for at least one year, and for 1,250 hours over the previous twelve (12) months and meet any other requirements of the Family Medical Leave Act.

FMLA will be made available to employees under the following circumstances:

- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent or any other qualified individual, who has a serious health condition; or
- Because of the employee's serious health condition that renders the employee unable to perform the essential functions of his or her position.

An eligible employee may also take up to **26 workweeks** of leave during a "single 12-month period" to care for a covered servicemember with a serious injury or illness, when the employee is the spouse, son, daughter, parent, or next of kin of the servicemember. The "single 12-month period" for military caregiver leave is different from the 12-month period used for other FMLA leave reasons.

If an employee desires FMLA leave, he/she should promptly provide the Company notice of the need for leave. When the notice for leave is foreseeable (as is the case for leave following an expected birth), the employee must provide at least thirty (30) days advance notice. When the need for leave is not foreseeable, your notice, when possible, should be in writing, and it should provide the Company with sufficient information to determine whether the leave qualifies as FMLA leave.

All requests and questions concerning FMLA leave should be directed to the General Manager or Director of Human Resources.

PARKING

To provide our guests with ample and convenient parking spaces, we request that our employees park in designated areas only as specified by the management team. Cars may not be left overnight on the premises. The Company is not responsible for theft or damage that occurs in our parking lot or designated parking area. Make sure another employee or the Manager on Duty walks with you to your vehicle at night if you desire an escort.

WE NEED TO KNOW ABOUT YOU

It is important that we have up-to-date information about you, such as your home address, telephone number, insurance beneficiaries and tax withholding. Please report any such changes to the Manager on Duty as soon as possible. All personal information is held in strict confidence.

COMPUTER/ELECTRONIC MESSAGING SYSTEMS POLICY

Our electronic messaging system, like the other computer resources, is intended to be used only to conduct company business. All information on company computer systems, including electronic mail, is the property of the Company. Therefore, to ensure that our computing resources are used in accordance with our policy, Cheddar's management may at anytime without advance notice, inspect and disclose the contents of electronic messages if such inspection and disclosure is made pursuant to legitimate business purposes or as necessary to protect the rights and property of the Company.

This monitoring activity may necessarily limit the level of privacy that employees can reasonably expect to be provided for information they store on computers or transmit and receive via electronic mail or other communication media.

Violations of the policy discovered as a result of monitoring/auditing activities may be grounds for corrective action. In addition, illegal activities discovered as a result of monitoring/auditing activities may be brought to the attention of the appropriate government agency.

It should be noted that electronic messaging systems, as well as other computer systems, are subject to the right of discovery in many legal actions. This means that outside parties may have access to information stored on Company systems and as a result of the discovery process such information may become public knowledge through no fault of the Company.

PROBATION PERIOD

All new employees are on a 90 day probation period. Your daily performance is the basis of this evaluation. After the 90 day probation period, you will meet with a manager to discuss your performance and any other issues.

EVALUATIONS

To ensure that you perform your job to the best of your abilities, it is important that you be recognized for good performance and, when necessary, you receive appropriate suggestions for improvement. Consistent with Company goals, your performance should be evaluated by a manager at the end of 30 days, 60 days and 90 days of employment and thereafter on an ongoing basis you should receive a written evaluation every January-February.

All written performance reviews will be based on your overall performance in relation to your job responsibilities and will take into account safety, sanitation, job knowledge, job performance, reliability, appearance/uniform, and teamwork.

LENGTH OF SERVICE

The service of employees is valued by our Company. "Length of service" is defined as the period of continuous employment from your most recent date-of-hire.

"Length of Service" will be broken when employees:

- Resign their employment;
- Are terminated from employment;
- Are on leave of absence in excess of twelve (12) months; If an employee returns to active employment from a leave of absence and is again placed on Leave of Absence for any reason within 90 days it will be deemed a continuation of the original leave period in reference to the 12 month Length of Service policy.
- Fail to return to work, following the expiration of personal, medical or short term military leave of absence;
- Fail to return to work from a long term military leave within ninety (90) days of date of discharge or after a hospitalization which continued after discharge;
- Retire;
- Are absent from scheduled work for three (3) consecutive days without notifying the Company, absent some exigent circumstances.
- Fail to work any hours for a complete pay period by request to be removed from the schedule or failure to submit a schedule request to management, unless on an approved leave of absence. This will result in an administrative termination for abandonment of job.

PROMOTIONS/TRANSFERS

You have an opportunity to advance in our growing organization. Preferred job openings occur from time to time and we try to fill such jobs from within the company.

Promotion will be on the basis of merit, regardless of race, color, religion, sex, national origin, marital status, age, disability, or status as a Vietnam-era or special disabled veteran in accordance with applicable federal laws.

Any employee interested in a salaried position should notify their General Manager.

TERMINATION OF EMPLOYMENT

Employees desiring to terminate their employment relationship with the Company are urged to notify the Company at least two weeks in advance of their intended termination. Such notices should preferably be given in writing to your Manager on Duty. State regulations will determine the timing of the final paycheck. Generally, the final paycheck will be distributed at the normal pay date for the pay period following your date of separation.

PAYROLL PROCEDURE

TIME CARDS

Never work off the clock. The SQUIRREL system is not only our register and ordering system, but our time clock as well. Clock in with uniform on; clock out with uniform on. You should declare all tips received each shift you work.

PAYCHECKS

Employees are paid on a bi-weekly schedule. Paychecks will be issued according to each restaurant's policy. For your protection, no one may pick up your paycheck for you. We cannot cash payroll or personal checks. We cannot make payroll advances. Your paycheck is your business. Any questions concerning it or your wages should be directed to management. There is a bank service charge for any paycheck that has to be replaced or re-issued for any reason. It is the employee's responsibility to pay this fee if the employee received the paycheck from the Company whether it has been stolen, washed, lost, etc. The charge will be made through payroll deduction on the re-issued check.

SCHEDULES

The Company considers its scheduling flexibility to be an important benefit. When a business opens 7 days a week for lunch and dinner, it provides an ideal situation for employees who must coordinate school, child care or other activities. We will do everything possible to try and honor a given request. But remember, it is just that – a request. We are a business focused on customer service; therefore, we must staff according to sales volume expectations. Your desire to be off Sundays and holidays cannot always be fulfilled. Keep in mind, those employees who work more shifts, and allow more flexibility in their schedules will receive preferential schedules.

The normal workweek is Monday through Sunday. For purpose of payroll and computing overtime, the regular work week consists of seven consecutive days beginning at 12:01 A.M. Monday and ending at 12:00 Midnight on the following Sunday

Overtime pay for non – exempt non tipped employees shall be computed as follows: time and one-half the straight time hourly rate shall be paid for all scheduled work performed in excess of forty straight time hours in any work week. State regulations will control how overtime is calculated for tipped employees. Please check with your manager to confirm the method used at your restaurant.

SOLICITATION POLICY

Solicitations by employees in any form during his/her working time or during their non-working time from others who are working, is prohibited.

In addition, the distribution by an employee of written or printed matter is prohibited (a) during his or her working time (b) during non-working time to others who are working, (c) during non-working time in work areas. Non-employee distribution or solicitation anywhere on company property at any time is strictly prohibited.

"Working time" means that period during an employee's work shift when he or she is expected to be performing work. Thus, "working time" refers to that period during the shift other than meal periods, rest periods, or other times when the employee is properly not engaged in performance of work.

ATTENDANCE

Attendance is essential in ensuring efficient operations and meeting guest expectations. Therefore, your attendance is considered when schedules are prepared. Recognizing circumstances occur that may result in you being tardy or absent you should report any tardy or absence to the manager on duty two hours before the start of your shift and make a reasonable effort to recruit another employee to cover your shift. Inconsistent attendance or reoccurring incidents of tardiness will be considered excessive and subject to corrective action.

DRESS and GROOMING POLICY

Dress must be appropriate. Dress and Grooming requirements will be provided during orientation.

SANITATION

The majority of opportunities for food contamination take place during the food preparation process. However, otherwise safe food can easily be contaminated by improper food service or by an employee who carries and transmits harmful bacteria. Common sense standards of cleanliness and health will prevent most potential contaminations from server to guests. The following list contains fundamental sanitation practices which all of us are obligated to follow:

- 1. WASH YOUR HANDS BEFORE EACH SHIFT! In addition, hand washing should follow any act that may have resulted in the hands picking up a contaminant:
 - Visiting the bathroom
 - Touching or scratching your hair, nose, mouth, ears, or face
 - Using a handkerchief or covering your mouth while coughing or sneezing
 - Handling money
 - Cleaning and/or clearing plates
 - Eating or drinking
- **2.** Avoid touching food after the cooking process is complete. Handle silverware by the handles only. Do not place hands or fingers in, on or around the top of glasses or mugs. Do not place thumb on food surfaces of plates.
- 3. Use chemical agents according to the instruction on the label.

SAFETY RULES

The safety and welfare of employees is a great concern to the Company and safety results only from cooperation. No matter what the company provides in the way of safety devices and precautions, the program cannot be effective unless you consider it as a part of your individual responsibility. The following is a summary of general safety rules. They are based on common sense and their purpose is to reduce to a minimum, causes for injuries and accidents.

- 1. Observe and practice the safety procedures established for the job.
- 2. In the case of sickness or injury **no matter how slight**, report at once to your manager. In no case should an employee treat his/her own, or someone else's, injuries or attempt to remove foreign particles from the eye. Failure to report an injury or illness will be considered inappropriate behavior.
- 3. Never distract the attention of another employee as you might cause an injury. If necessary to call the attention of another employee, wait until it can be done safely.
- 4. Wear safety glove when using a knife, slicing blade or mechanical slicer
- 5. Use dry towels or oven mitts to handle hot objects. Watch for steam or heat rising from hot products or equipment.
- 6. Wear approved anti-skid shoes to work. Keep all floors dry and clean. Watch where you are walking and maintain sure footing.
- 7. Lift using your legs rather than back muscles. Lift nothing over 40 pounds without assistance.
- 8. Use the SCOUT AND RUNNER system to quickly clean up any spills on the floors. Simply put, the employee who first encounters a spill becomes the SCOUT. She or he appoints the next available person to become the RUNNER. This now becomes top priority over bussing tables, running food, taking guest orders, etc. The responsibilities are as follows: SCOUT: stands guard, alerting everyone in the area to be careful and watch their steps until the spill has been cleaned and dried completely. RUNNER: gets the necessary items (mop, squeegee, towels, paper towels, wet floor cone) to clean and dry the spill immediately.

GUIDELINES FOR APPROPRIATE CONDUCT

As an integral member of our team, you are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that both in your business and personal life, you refrain from any behavior that might be harmful to you, your co-worker, and/or the Company, or that might be viewed unfavorably by current or potential customers or by the public at large.

Whether you are on duty or off, your conduct reflects on the Company. You are consequently, encouraged to observe the highest standards of professionalism at all times.

Examples of inappropriate behavior they may result in corrective action up to and including termination.

- 1. No employee shall willfully create or contribute to an unsanitary or untidy condition on company property.
- 2. Employees shall obey all safety rules and company safety practices. Report all injuries to your manager immediately. Do not go to the doctor on your own for an on the job injury or illness.
- 3. Disruptive behavior or being verbally or physically offensive to other employees.
- 4. Horseplay or the throwing of any objects in the facility.
- 5. There shall be no gambling or any other lottery or game of chance on company premises at any time.
- 6. Violation of the solicitation or distribution rules.
- 7. Excessive absenteeism or tardiness.
- 8. Employee smoking is not allowed on Company property.
- 9. There shall be no sleeping on the job.
- 10. Failure to meet established quality and production standards.
- 11. Falsifying employment or other Company records.
- 12. Violating the Company's non discrimination and/or harassment/discrimination free policy.
- 13. Excessive, unnecessary, or unauthorized use of company supplies, particularly for personal purposes.
- 14. Reporting to work intoxicated or under the influence of non-prescribed drugs, illegal manufacture, possession, use sale, distribution or transportation of drugs.
- 15. Bringing or using alcoholic beverages on Company property or using alcoholic beverages while engaged in Company business off Company premises, except where authorized.
- 16. Fighting or using obscene, abusive, or threatening language or gestures.
- 17. Theft of any kind from the Company, guests, taking or receiving food and beverage without manager's approval or it being rung up and paid for. The Company will not hesitate to prosecute when theft occurs.
- 18. Unauthorized possession of firearms on Company premises or while on Company business.
- 19. Insubordination. To operate successfully, employees must support management and follow their instructions. If there is a disagreement between you and your supervisor that cannot be resolved, do as she/he says at the time. Later appeal your opinion to the next level of management. Use the proper channels to resolve disagreements.
- 20. Failing to maintain the confidentiality of Company, guest or client information.
- 21. Intentional misuse or damage to Company property or equipment.
- 22. Employee rudeness to a guest. Such behavior will not be tolerated. This includes any discussion with guests regarding tips. It also includes discussion of guests or tips within earshot of guests.
- 23. Serving alcohol to an obviously intoxicated customer, a minor or anyone lacking valid identification.

If you disagree with a corrective action taken by your manager, you are encouraged to discuss it with your General Manager. If you are uncomfortable discussing the corrective action with your General Manager you may contact the Director of Human Resources or the Executive Vice President.

ALCOHOL AWARENESS

Our philosophy is to serve great tasting food in a warm and friendly atmosphere. A bar was added for the service of alcoholic beverages as a natural accompaniment to the food and for the comfort of our guests waiting to be seated in the dining area. The serving of alcohol is a privilege that is granted by local authorities. It is our policy to take firm action in response to negative situations that occur from serving and consumption of alcohol.

It is against the law to:

- Serve alcohol to an intoxicated person
- Serve a minor (anyone under 21 years of age), or
- Allow intoxicated persons on the premise.

As with responsibility to uphold the law, punishment for neglecting the law not only affects the Company but can and will affect you, the employee. If you have any concerns about the status of the guest you are to notify the manager on duty. The Manager on Duty will talk with the guest to determine the serving of each and every drink thereafter. Failure to uphold the law will result in termination in addition to possible large fines and/or jail time.

Intoxicated person on the premises: If you are in the position of knowing that an intoxicated person is on Cheddar's premises and you take no action to remove that person (by alerting management) you are in direct violation of the law.

Anytime that you feel that a guest is intoxicated, regardless who the guest might be, you should stop serving the guest immediately and inform the manager on duty. If the guest attempts to order more drinks, acknowledge the order, but inform the Manager on Duty immediately.

ILLEGAL DRUGS, ALCOHOLIC BEVERAGES, FIREARMS AND WEAPONS

We maintain a work environment that is safe for all employees and conducive to attaining high work standards. As part of this policy, no illegal drugs, related drug paraphernalia, intoxicating beverages, firearms or weapons are allowed in vehicles, offices or other work locations of Cheddar's. In addition, no employee shall report to work under the influence of any illegal drug or alcohol. Illegal drugs include marijuana and all other drugs not prescribed by a licensed physician for use by the person possessing them.

As further precaution, entry into or upon any vehicle, office or work location of the Company is conditioned upon the Company's right to search the person and personal effects of an entrant for illegal drugs, intoxicating beverages, firearms or weapons.

From time to time, and without prior warning, searches by authorized Company representatives may be made of anyone entering any vehicle, office or other work location of the Company and such searches may be made of the employees of contractors having business with the Company. For employees, this search may also include lockers and rooms, if appropriate.

When appropriate, such items discovered through these Company searches may be taken into custody and may be turned over to the proper law enforcement authorities.

Violation of the above policy or refusal to submit to a search will be cause for corrective action up to and including immediate termination.

GUEST ACCIDENTS AND COMPLAINTS

Any type of accident involving a guest must be reported immediately to the manager on duty whether the guest is at fault or not. This includes falling, finding foreign objects in food, employee spilling food on guests, guests spilling food and drink on themselves. If a guest calls in to report an injury, sustained at our location, immediately refer the call to the Manager on Duty. Guests always have the right of way. This is not only good service, but important for safety reasons. Do not admit or comment on any injury to guests, but defer to the Manager on Duty to handle these communications.

We treat guest complaints as valued opportunities to improve our business. You are empowered to try and solve any immediate problems or complaints. However, if, in your judgment you cannot, please contact the Manager on Duty at once. If you have to apologize to a guest for any reason inform a manager.

Page12

TELEPHONE AND MAIL

Company telephones should be reserved for business calls. You will be notified if you receive an emergency call. Personal messages and personal mail can best be handled outside of Cheddar's and we urge your cooperation in these matters.

FACILITY CLEANLINESS

The general appearance of our facility is a direct reflection on the individuals who work here. If our facility appears neat, orderly and efficient, our guests will carry away a favorable impression and have confidence in our ability to meet their expectations and we, too, enjoy a clean, efficient place to work. In the interest of efficiency and safety, please keep all materials stored in proper places and dispose of material and waste in their proper containers..

MILITARY SERVICE

We support service to one's country. Any employee who enters the armed forces of the United States shall be placed on unpaid military leave of absence. Upon return from a military leave of absence, the employee will be afforded the benefits prescribed in the Veterans Re-employment Rights Act.

RESERVE DUTY

An employee who is a member of the reserves or National Guard will be given a military leave not to exceed two weeks when he/she is called for annual reserve duty. Please provide the General Manager with a copy of your written orders for duty.

EMPLOYEE MEALS

All Employees who are working that day:

• **Currently, e**ach eligible employee is able to receive an approximately 50% **discount on** any menu item except kid's meals, desserts, ribs, and any menu item listed under "steaks and combo" portion of the menu. All employees who order a menu item will also be **charged** for one non-alcoholic drink, for each menu item ordered.

Once each pay period:

• An eligible employee is generally able to receive the '50% discount' for themselves and a guest (provided restaurant is not on a wait) once a pay period. The discount *does not include* kid's meals, desserts, ribs, and any item listed under "steaks and combo portion of the menu. However, the employee should bring with them the most current available pay stub for the manager to initial and give back. The employee and the guest will be charged for a non-alcoholic drink. If alcohol is purchased, no discount will be given on the alcohol.

******To consume alcohol....

- 1. Employee/guest must be of age
- 2. Employee/guest may not sit at the bar top
- 3. Employee must be out of uniform and out of the restaurant for approximately one hour.

VACATION

- 1) Hourly employees earn one week of vacation after completing twelve months of continuous employment from their date of hire and thereafter from their anniversary date. After 5 years of continuous employment, employee will be eligible for 2 weeks of vacation. After 10 years of continuous employment, employee will be eligible for 3 week of vacation.
 - a. Continuous Employment an employee is scheduled and works at least 25 hours per week for a continuous twelve month period beginning with the date of hire and anniversary date thereafter.

Earned Period (1)	Earned Period (2)	Earned Period (3)
Hire Date 5/1/094/30/10	Anniversary Date	Anniversary Date
	5/1/104/30/11	5/1/114/30/12
	Eligible to Schedule Vacation earned	Eligible to Schedule Vacation earned
	(1) 5/1/094/30/10	(2) 5/1/104/30/11

2) Earned Vacation does not accumulate from period to period. (Unless required by applicable State Law)

- a. If vacation earned is not scheduled and taken during the eligible period the vacation will expire.
- b. If an employee is terminated for any reason earned vacation will expire.
- 3) Scheduling: Recognizing the employee and General Manager require time to plan,
 - a. Employees should submit a vacation request 30 days prior to the requested vacation date. Form VR001
 - b. The General Manager will make a reasonable effort to confirm eligibility and communicate their decision to the employee within 10 days of receipt of the request.
 - c. The employee's request and General Manager's decision will be placed in the employee file.
- 4) Vacation Time: Eligible employees will be allowed to schedule 5 days off within a 7 day period.
- 5) Vacation Hours: Average weekly hours worked during the 12 month period when vacation was earned. (Average week hours determined by dividing the total hours worked during the earned period by 52)
- 6) Vacation Pay
 - a. Employees who receive tips will be paid the minimum wage for vacation hours.
- 7) Vacation Scheduling: The General Manager will determine the number of employees allowed to schedule vacation during the same period.

Vacation must be earned before taken. Employees cannot borrow vacation from a future period to be taken in the current period. Employees cannot schedule and be paid for vacation and work during the same day vacation was scheduled and paid.

ACCEPTANCE OF HANDBOOK

I have received and read the handbook of MJRO LLC. I am familiar with its contents and understand the policies, procedures, and benefits pertaining to my employment with the Company. I also understand this handbook

summarizes the policies and practices at our Company and that it is not intended to cover every circumstance, I understand and agree that this Information Handbook is not a contract, express or implied and does not create any contractual obligations on the part of the Company, with the exception of the ADR Plan, nor is it a contract of employment. I also realize from time to time changes may be needed to the policies in this Handbook and that the Company reserves the right to make such changes at any time without notice.

Date _____

Signed ______
Location _____