

**Franchise Model Employee Handbook**

**Each franchise organization is an independent employer and thus responsible for making its own employment-related decisions. Nothing in these materials should be construed as the franchisor being involved in or having control over a franchise employee's essential terms and conditions of employment. Specific employment related questions should be directed to your franchise organization’s legal counsel or other professional advisor**.

**Revised: March 1, 2018**

**USER GUIDE - FRANCHISE MODEL EMPLOYEE HANDBOOK**

The SONIC Franchise Model Employee Handbook addresses general employment-related policies, practices and programs. It is intended as a guide only. Each franchisee is responsible for modifying the model handbook in accordance with his/her particular franchise organization’s policies, practices and programs. Additionally, each franchisee is responsible for ensuring the employee handbook complies with federal state and local law(s) in which the franchisee operates.

This franchise user guide has been organized in the following manner:

* The model handbook is contained within this franchise user guide.
* Comments are included within certain sample handbook policies. These comments [in brackets and highlighted in yellow] are suggestions for you while customizing your franchise handbook.
* Certain states and localities have additional laws regarding handbook policies. Consult with your employment law counsel to ensure that your policies comply with state, county, and local laws in the areas you operate in.

**Frequently Asked Questions** 

**Can I adopt the handbook as is?**

No. It is recommended for you to review the contents of this model handbook to ensure that it meets your franchisee’s employment policies and practices. Additionally, it is your responsibility to ensure that your policies comply with all applicable law, whether federal, state or local. This model handbook is not legal advice and you should not rely on it as such. We recommend that you consult with your employment law counsel prior to implementing an employee handbook.

**How should this handbook be used?**

Read the model handbook and then make any changes that you think are necessary. Adopt new policies (as indicated in the model handbook) or conform the policies to your actual practice and procedure. When you are finished reviewing and editing the model handbook, take it to your employment law counsel for his or her review.

**Can you help us finalize our employee handbook?**

No. You should find a qualified human resources professional or employment law counsel in your area to help you finalize your handbook.

**How do I contact the lawyers who helped draft this handbook?**

* Craig Annunziata (cannunziata@fisherphillips.com; (312) 580-7816)
* Steve Miller (smiller@fisherphillips.com; (312) 580-5817)

This handbook was developed through the dedicated efforts of members of the SONIC Franchisee community including the FAC Great People Task Group with assistance from attorneys Craig Annunziata and Steve Miller and collaboration with IMA

Revised 03/01/18



**[ENTER SPECIFIC DRIVE-IN FRANCHISEE ENTITY][[1]](#footnote-1)**

**EMPLOYEE HANDBOOK**

**Revised: \_\_\_\_\_\_**

**[Example: Acknowledgement Form – Signed Copy for Employee File]**

# EMPLOYEE HANDBOOK ACKNOWLEDGEMENT

I, the undersigned, acknowledge that I have received the SONIC Drive-In Employee Handbook and that I will read (or have read to me) the contents of the Handbook and comply with the standards contained in it.

I understand that:

**THE HANDBOOK IS A GENERAL REFERENCE GUIDE. IT IS NOT A CONTRACT OF EMPLOYMENT, EITHER EXPRESS OR IMPLIED. THIS HANDBOOK IS NOT A PROMISE OR GUARANTEE OF CONTINUED EMPLOYMENT OR OF ANY PARTICULAR POLICY, PAY RATE, HOURS GUARANTEE, OR OTHER BENEFIT.**

The Handbook replaces any previous handbook or manual, and to the extent inconsistent, any understanding, practice, policy or representation concerning the subject matters covered by the Handbook.

Except for the policy of at-will employment, all policies and procedures outlined in the Handbook may be changed or modified at the discretion of the Drive-In without advance notice to me.

My employment is considered to be “at will,” and I am not being employed for any specified time. This means either I or the Drive-In may end the employment relationship at any time, with or without cause or advance notice. I understand that at-will employment also means that the Drive-In may discipline me or change the terms of my employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work, at its discretion, at any time, with or without cause or advance notice. I further understand that the foregoing provision regarding my status as an at-will employee may never be changed by any supervisor or other representative of the Drive-In.

I further understand that the Drive-In at which I work is independently owned and operated by one or more franchisees and that my employment is with the franchisee's sole proprietorship, partnership, corporation, or limited liability company [Franchisee may wish to explain its individual franchise organization here.]

I understand that I am not employed by SONIC Corp. or any of its subsidiary or related companies. SONIC Corp. does not control or make any decisions regarding the Drive-In’s employment practices or policies.

As applicable to the Drive-In where I am employed, my electronic signature and Handbook Acknowledgment acknowledges and confirms that I have received the SONIC Drive-In Employee Handbook and further acknowledges and confirms that I have reviewed and agree with the above provisions in this Employee Handbook Acknowledgment.

Employee Signature Date

Employee's Full Name (Printed - Must be Legible)

Drive-In Location (Address) Drive-In #

# TABLE OF CONTENTS

[EMPLOYEE HANDBOOK ACKNOWLEDGEMENT 3](#_Toc507070049)

[TABLE OF CONTENTS 4](#_Toc507070050)

[IMPORTANT INFORMATION ABOUT THIS HANDBOOK 6](#_Toc507070051)

[SECTION I – Handbook Introduction 7](#_Toc507070052)

[Mission Statement and Core Values 7](#_Toc507070053)

[Teamwork 8](#_Toc507070054)

[Union Free Workplace: 8](#_Toc507070055)

[SECTION II – Equal Employment Opportunity and Non-Discrimination Policies 8](#_Toc507070056)

[Equal Employment Opportunity 8](#_Toc507070057)

[Non-Discrimination and Harassment-Free Workplace Policy 8](#_Toc507070058)

[Accommodation of Individuals with Disabilities 11](#_Toc507070059)

[Accommodation of Religious Beliefs and Practices 11](#_Toc507070060)

[Non-Discrimination Against and Accommodation for Nursing Mothers 12](#_Toc507070061)

[Genetic Information Nondiscrimination Act - GINA 12](#_Toc507070062)

[Guests with Disabilities 12](#_Toc507070063)

[I-9 Compliance Policy 13](#_Toc507070064)

[Social Security Number Policy 13](#_Toc507070065)

[SECTION III - Open Door Policy and Concern Resolution Procedure 13](#_Toc507070066)

[SECTION IV - Workplace Practices and Standards of Conduct 14](#_Toc507070067)

[Standards of Conduct 14](#_Toc507070068)

[Conflict of Interest 15](#_Toc507070069)

[Employment of Minors 16](#_Toc507070070)

[Breaks and Meal Periods for Minors 16](#_Toc507070071)

[Minors Driving 16](#_Toc507070072)

[Restricted Access Policy 17](#_Toc507070073)

[Drive-In Telephone/Personal Visits/Switchboard 17](#_Toc507070074)

[Meetings 17](#_Toc507070075)

[Progressive Discipline Guidelines 17](#_Toc507070076)

[Drug-Free Workplace 18](#_Toc507070077)

[Workplace Investigation and Searches 18](#_Toc507070078)

[Theft 18](#_Toc507070079)

[Return of Property 19](#_Toc507070080)

[Solicitation, Distribution and Posting 19](#_Toc507070081)

[SECTION V – Your Pay and Benefits 20](#_Toc507070082)

[Pay Card 20](#_Toc507070083)

[Paper Check 20](#_Toc507070084)

[Direct Deposit 21](#_Toc507070085)

[Pay Statements 21](#_Toc507070086)

[Employee Benefits 21](#_Toc507070087)

[Employee Meal Program 21](#_Toc507070088)

[SECTION VI – Work Schedules and Wage and Hour Policies and Practices 22](#_Toc507070089)

[Work Schedule 22](#_Toc507070090)

[Reporting Your Hours and Compensation for All Hours Worked 22](#_Toc507070091)

[Overtime 23](#_Toc507070092)

[Off-the-Clock Work is prohibited 23](#_Toc507070093)

[Employee Breaks and Meal Periods 24](#_Toc507070094)

[Underpayment/Overpayment 24](#_Toc507070095)

[Exempt/ Salaried Employees 25](#_Toc507070096)

[Pay Procedures 25](#_Toc507070097)

[Final Pay 25](#_Toc507070098)

[SECTION VII - Policies Relating to Employee Tips 26](#_Toc507070099)

[Notice to Employees Who Receive Tips 26](#_Toc507070100)

[Tip Reporting Requirement 27](#_Toc507070101)

[Additional Information about Tip Wage 27](#_Toc507070102)

[Tip Rate Determination Agreement (TRDA) and Employee Responsibility Under the TRDA 28](#_Toc507070103)

[SECTION VIII - Your Uniform and Related Standards 29](#_Toc507070104)

[Uniform Standards: 29](#_Toc507070105)

[Personal Appearance Standards: 30](#_Toc507070106)

[SECTION IX - Workplace Attendance, Absences, and Employee Leave 32](#_Toc507070107)

[Workplace Attendance 32](#_Toc507070108)

[Family and Medical Leave Act (FMLA) Policy 33](#_Toc507070109)

[Military Leave of Absence 36](#_Toc507070125)

[SECTION X - Technology Related Policies 36](#_Toc507070126)

[Computer Usage Policy 36](#_Toc507070127)

[Password Security 37](#_Toc507070128)

[Software 37](#_Toc507070129)

[Internet Usage 37](#_Toc507070130)

[Social Media Policy 37](#_Toc507070131)

[Email and Instant Messaging 38](#_Toc507070132)

[Picture Taking and Video Taping Inside the Drive-In 38](#_Toc507070133)

[SECTION XI - Safety and Security Guidelines and Procedures 39](#_Toc507070134)

[Employee Safety Guidelines 39](#_Toc507070135)

[Use of Equipment 41](#_Toc507070136)

[Work-Related Injuries and Related Benefits 41](#_Toc507070137)

[Violence and Weapons in the Workplace 41](#_Toc507070138)

[Food Tampering Policy 42](#_Toc507070139)

[Contagious Illness Policy – Employee Management Responsibilities 42](#_Toc507070140)

# IMPORTANT INFORMATION ABOUT THIS HANDBOOK

This Handbook contains several important notices required by law. It should be reviewed in its entirety. Additionally, this Handbook will provide you with information to help you know your employer and your job, and to answer some questions you may have. If you have any questions about the content of this Handbook, please direct them to your manager or supervisor.

THE HANDBOOK IS A GENERAL REFERENCE GUIDE. IT IS NOT A CONTRACT OF EMPLOYMENT, EITHER EXPRESS OR IMPLIED. THIS HANDBOOK IS NOT A PROMISE OR GUARANTEE OF CONTINUED EMPLOYMENT OR OF ANY PARTICULAR POLICY OR BENEFIT.

* This Handbook replaces any previous handbook or manual, and to the extent inconsistent, any understanding, practice, policy or representation concerning the subject matters covered by the Handbook.
* Except for the policy of at-will employment, all policies and procedures outlined in the Handbook may be changed or modified at the discretion of the Drive-In without advance notice.
* Your employment with the Drive-In is considered to be “at will,” and you are not being employed for any specified time. This means either you or the Drive-In may end the employment relationship at any time, with or without cause or advance notice. At-will employment also means that the Drive-In may discipline you or change the terms of your employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work, at its discretion, at any time, with or without cause or advance notice. The foregoing provision regarding your status as an at-will employee may not be changed by any supervisor or other representative of the Drive-In.
* The SONIC Drive-In at which you work is part of the franchised SONIC Drive-In chain and is independently owned and operated by one or more franchisees. The franchisee's sole proprietorship, partnership, corporation or limited liability company is your employer. [Franchisee may wish to explain its individual franchise organization here.]
* The policies, practices and standards set forth in this Handbook apply to all employees and management persons having any authority over the Drive-In.
* Nothing in this Handbook is intended to create, nor does create, any substantive rights for any employee beyond those which are recognized in the jurisdiction in which you are employed.
* Not all of the Drive-In’s policies and procedures are set forth in the Handbook, which is intended to serve as a general guide to your employment. No provision of this Handbook is intended to apply if it conflicts with or is superseded by any requirement or prohibition contained in a federal, state, or local law or regulation.

In this Handbook, you will find an Acknowledgment Form, which you must sign, date and return to the Drive-In immediately.

# SECTION I – Handbook Introduction

**Welcome To Our Team!** We are excited you have become a member of the SONIC Drive-In team and look forward to working with you! Recognizing that our employees are our most valuable resource, we are committed to helping you succeed in your new job and want you to enjoy working here.

To help familiarize you with SONIC, we have developed this Handbook. It is meant to guide you on our basic policies. You should read the Handbook completely and retain it for future reference. Management is always willing to address any questions you have about your employment, the Company’s policies, or this Handbook.

Please keep the Handbook (and any additional policies you may receive) in a place that is easily accessible to you. That way you will be able to consult it as a resource for your work-related questions. You should also feel free to raise any questions you may have (about SONIC, your job, the Handbook, etc.) to a member of the Drive-In’s management team.

**The SONIC Drive-In Story**

**The Long Road.** SONIC Drive-In, founded by Troy Smith and originally named Top Hat Drive-In, began in 1953 as a hamburger and root beer stand in Shawnee, Oklahoma. SONIC’s introduction and unique use of curbside speakers allowed customers to place food orders without ever leaving their cars. This innovation spawned the slogan, “Service with the Speed of Sound” and a new name in 1959: SONIC Drive-In. SONIC Corp. is the Oklahoma City-based, publicly held company. Its subsidiary, SONIC Industries Inc., franchises SONIC Drive-In restaurants from coast-to-coast.

**Twists and Turns.** The SONIC Drive-In chain specializes in made-to-order food and is known for its specialty menu items and personal carhop service. Popular menu items include Toaster Sandwiches (hamburgers and sandwiches served on thick Texas Toast), Extra-Long Cheese Coneys (hot dogs with chili and cheese), fresh hamburgers, hand-made Onion Rings, Tater Tots and a variety of Frozen Favorites® desserts and Fountain Favorites® drinks such as Cream Pie Shakes and Cherry Limeades.

**Cheers From the Crowd**. With restaurants from coast-to-coast, SONIC Drive-In is the nation’s largest chain of Drive-In restaurants. Customers aren’t the only ones who recognize SONIC Drive-In’s commitment to quality and service as it has received high recognition in Entrepreneur magazine for achievements in franchise opportunities and in Forbes magazine for achievements in small company endeavors. With unyielding dedication to its guests and excellence in service, SONIC is truly “America’s Drive-In!”

## Mission Statement and Core Values

*Mission Statement:*

* + To Become America's Most-Loved Restaurant Brand

*Core Values:*

We value:

* + Respect for everyone touched by the SONIC brand
	+ Entrepreneurial spirit and the power of the individual
	+ Importance of relationships as a way of life
	+ Doing different and special things to surprise and delight everyone touched by the SONIC brand

As a Drive-In team member, we value your dedication to our Mission Statement and Core Values. Promoting and following our Core Values helps make your work environment enjoyable and fulfilling for all.

## Teamwork

We believe in working together as a team. Genuine – “got your back” – teamwork. Why? Because through genuine teamwork comes a sense of achievement, equity and camaraderie resulting in an enjoyable and satisfying work experience and high-quality customer service. These qualities lay the foundation for achieving our mission: “To become America’s Most-Loved Restaurant Brand.”

## Union Free Workplace:

[This section is a sample policy regarding a union free workplace.]

Our SONIC Drive-In restaurants are not unionized. Throughout our history, employees have been able to deal directly with management in resolving any issues they may have. Through the Open Door Policy and Concern Resolution Procedure, we are able to facilitate prompt and effective resolutions of employee concerns making third party representation unnecessary. [Insert Franchise name here] believes that union representation would not be to the advantage of our employees, our guests or the continued success of the Drive-In. Notwithstanding this provision, the Drive-In will not retaliate against employees that are in a Union or that engage in protected, concerted activity.  We encourage all employees to give management the opportunity to address any concerns they may have.

# SECTION II – Equal Employment Opportunity and Non-Discrimination Policies

## Equal Employment Opportunity

The Drive-In is an equal opportunity employer and, as such, provides employment opportunities to all employees and applicants for employment without regard to race, color, national origin, ancestry, citizenship status, veteran or military status (as defined by USERRA), disability, protected medical condition, religion, age, genetic information, sex (including pregnancy, childbirth and related medical conditions), gender identity and expression, sexual orientation, or other legally protected status or characteristic under applicable federal, state, or locals. The Drive-In complies with all applicable federal, state and local laws governing non-discrimination in employment. [If applicable, Franchisee should list any additional legally protected categories under its state, county or city laws. For consistency, the same legally protected categories should be listed in other related sections throughout the Handbook]

This policy applies to all aspects of our employment practices, including but not limited to, recruiting, selection, promotion, transfers, rate of pay, discipline, termination, benefits, training, leaves of absence and all other terms and conditions of employment.

## Non-Discrimination and Harassment-Free Workplace Policy

Mutual respect is the basis of all professional relationships. All employees are personally accountable for promoting equal opportunity practices and a harassment-free work environment. Managers are instructed to use all reasonable means to correct incidents of unlawful discrimination and harassment.

The Drive-In prohibits discrimination and harassment based on race, color, national origin, ancestry, citizenship status, veteran or military status (as defined by USERRA), disability, protected medical condition, religion, age, genetic information, sex (including pregnancy, childbirth and related medical conditions), gender identity and expression, sexual orientation, or other legally protected status or characteristic under applicable federal, state, or local laws. [If applicable, Franchisee should list any additional legally protected categories under its state, county or city laws. For consistency, the same legally protected categories should be listed in other related sections throughout the Handbook]

**UNLAWFUL DISCRIMINATION, HARASSMENT OR RETALIATION OF ANY APPLICANT OR EMPLOYEE WILL NOT BE TOLERATED AND MAY RESULT IN DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION OF EMPLOYMENT.**

This policy prohibits all persons associated with the Drive-In (including but not limited to employees, managers, Drive-In Operators, General Managers, Supervisors, Multi-Unit Supervisors and vendors) from discriminating against, harassing or retaliating against any employee or applicant. [California franchisees should add that harassment of “independent contractors” is also prohibited and should note that harassment in “business, service and professional relationships” is also prohibited]

All employees and members of the management team should report any observed discrimination or harassment, whether or not the behavior is directed at you. All employees and management team members are required to comply with this policy and use every effort to further its implementation. The Drive-In will take prompt, remedial action to end conduct in violation of this policy. [California franchisees should be aware of California law which requires all employers to “take all reasonable steps necessary to prevent harassment from occurring” and to distribute to all employees a detailed fact sheet on sexual harassment.]

This policy applies to all conduct between employees of the Drive-In, regardless of whether it occurs in the workplace itself, or off Company premises, including social activities conducted or sponsored by the Company, and business trips. It also applies to material digitally transmitted by fax, e-mail, internet or text message. This policy also applies to social media use on authorized corporate channels and to any personal use of social media when communications relating to the Drive-In or its products, guests or employees are in violation of this policy.

This policy extends to all persons associated with [Insert Franchise Company name here] and the Drive-In, including but not limited to employees, supervisors, partners, Drive-In management, vendors, customers and other members of the general public.

The conduct described below is unacceptable and prohibited in the workplace itself, as well as in all other work-related settings, such as business trips and business-related social events, and is, at all times, strictly prohibited.

The conduct described below includes examples of inappropriate and unacceptable conduct. However, because harassment and discrimination can take many forms, it is not intended to define all types of prohibited conduct.

**Sexual Harassment:** Sexual harassment consists of unwelcome conduct of a sexual nature when any of the following is true:

* + Submission to the conduct is either an explicit or implicit term or condition of employment; or
	+ There is a promise or implied promise of preferential treatment (such as a promotion, raise, favorable work hours, etc.) for submission to the conduct; or
	+ There is a threat of or actual adverse employment action (such as termination of employment, demotion, reduction of hours or pay, etc.) for rejection of the conduct; or
	+ Such conduct has the effect of creating an intimidating, hostile or offensive work environment or unreasonably interferes with an employee’s work performance.

Sexual harassment includes a broad spectrum of conduct including harassment based on sex (including harassment between persons of the same gender, by a female against a male, or by a male against a female), gender identity, gender expression and sexual orientation (meaning, for example, one’s heterosexuality or homosexuality). By way of illustration only, and not limitation, examples of conduct that may constitute sexual harassment are:

* + Sexual advances or requests for sexual favors (this includes repeated, unwelcome requests for dates)
	+ Sexually oriented comments, jokes, teasing, language or gestures
	+ Telling others about your own or another person’s sexual relationships or asking questions of others about the same
	+ Remarks of a sexual nature about a person’s clothing, body, sexual activity or previous sexual experience
	+ Verbal abuse of a sexual nature
	+ Leering, staring, catcalls or whistling of a sexual nature
	+ Intentional physical contact that is sexual in nature and unwelcome by the recipient, such as touching, pinching, patting, grabbing, brushing against or poking another
	+ Displaying, reading, or bringing into the Drive-In pictures, posters, calendars, graffiti, objects or other materials that are sexually suggestive or demeaning
	+ Physical assault
	+ Physical or verbal abuse concerning an individual’s actual sex or the perception of the individual’s sex
	+ Physical or verbal abuse concerning an individual’s characteristics such as vocal pitch, the size and shape of an individual’s body, including remarks that a male is too feminine or a female is too masculine
	+ Text messaging or electronically transmitting (or requesting for a person to text message or electronically transmit) sexually suggestive or demeaning comments, jokes, graphics or pictures (“sexting”)

**Other Types of Unlawful Harassment:** Harassment on the basis of any other protected characteristic is also prohibited. Under this policy, harassment is verbal or physical conduct that degrades or shows hostility toward an individual because of his/her race, color, national origin, ancestry, military status (as defined by USERRA), physical or mental disability, religion, age, genetic information, sex (including pregnancy, childbirth and related medical conditions, gender identity, and sexual orientation) or other legally protected status or characteristic when any of the following is true: [If applicable, Franchisee should list any additional legally protected categories under its state, county or city laws. For consistency, the same legally protected categories should be listed in other related sections throughout the handbook]

* + The conduct has the purpose or effect of creating an intimidating, hostile or offensive work environment; or
	+ The conduct has the purpose or effect of unreasonably interfering with an employee’s work performance; or
	+ The conduct otherwise adversely affects an individual’s employment opportunities.

Harassing conduct includes, but is not limited to: derogatory comments, slurs or negative stereotyping; threatening, intimidating or hostile acts; demeaning or degrading jokes; basing employment decisions or treating individuals differently based on protected status or characteristic; or displaying, bringing onto Drive-In property, or communicating (electronically or otherwise) written or graphic material that degrades or shows hostility toward an individual or group because of their legally protected status or characteristic.

**Discrimination**: It is a violation of this policy to discriminate against an applicant for employment or employee on the basis of race, color, national origin, ancestry, citizenship status, veteran or military status (as defined by USERRA), disability, protected medical condition, religion, age, genetic information, sex (including pregnancy, childbirth and related medical conditions), gender identity and expression, sexual orientation, or other legally protected status or characteristic under applicable federal, state, or local laws. [If applicable, Franchisee should list any additional legally protected categories under its state, county or city laws. For consistency, the same legally protected categories should be listed in other related sections throughout the handbook.]

This policy applies to all employment related decisions such as recruitment, hiring, transfers, promotions, compensation, benefits, training, work assignments and termination of employment.

**Retaliation**: It is a violation of this policy to take any adverse employment action against an employee because that employee has made a good faith complaint about or participated in an investigation concerning harassment, discrimination or retaliation or engaged in any other protected activity.

**Reporting a Complaint:** [Franchisees should consider whether the process for reporting a complaint is easily understood. In recent court decisions, the mechanism to complain about harassment must be reasonable depending upon the employment circumstances. For example, if an employee cannot speak English, a complaint procedure stated only in English would not be reasonable.]If you believe you have been discriminated against, harassed or retaliated against in violation of this policy or if you have witnessed or otherwise learned of such conduct, you must report the incident. You should report it to the Drive-In’s Manager or Supervisor. [Designate two persons to receive such complaints and provide relevant contact information. You can include an employee complaint/helpline number or the number of the person designated to receive such complaints.] If, for any reason, you are not comfortable going to such person or if you are not satisfied with the results you received from such person, contact the principal owner of the Drive-In. Any and all complaints will be investigated as promptly as possible.

If the Drive In’s Manager, Supervisor, or Multi-Unit Supervisor becomes aware that harassment or discrimination is occurring (either from personal observation or as a result of an employee coming forward), the management team member must report the situation to his or her supervisor.

If you do not report harassment, discrimination, or retaliation pursuant to this policy, the Drive-In may not be able to investigate and possibly remedy the situation. No employee will be penalized or sanctioned for “going over the head” or his or her supervisor to report discrimination, discrimination, or retaliation.

**Confidentiality:** Your complaint will be investigated as promptly as possible and we will maintain the confidentiality of your complaint and our investigation to the greatest extent possible under the circumstances. We ask that you do the same. Complaints and/or investigations are not proper topics for general discussion with other Drive-In employees or gossip.

**Corrective Action:** Appropriate corrective action, up to and including immediate termination of employment, may be taken against any person found to have violated this policy. All people associated with the Drive-In are required to be truthful, accurate and cooperative during any investigation. Intentionally making a false complaint or pressuring others to be untruthful or falsely denying, lying about or otherwise covering up or attempting to cover up misconduct or conduct that is the subject of an investigation is strictly prohibited and such conduct is subject to disciplinary action, up to and including termination of employment

## Accommodation of Individuals with Disabilities

[Franchisees should consult with their employment law counsel regarding accommodation of disabilities pursuant to state law. Some states have enacted laws addressing an employer’s duty to accommodate disabilities or other protected medical conditions.] The Drive-In complies with the Americans with Disability Act of 1990 (“ADA”), the amendments to the ADA and applicable state and local laws providing for equal opportunity in all aspects of employment for qualified individuals with disabilities.

The ADA and other applicable state and federal laws prohibit employment discrimination against qualified individuals with physical or mental disabilities and other legally protected medical conditions. The Drive-In prohibits discrimination on the basis of qualified physical and mental disabilities and other legally protected medical conditions with respect to all employment practices and other employment related activities. The ADA and related laws also require employers to provide reasonable accommodations to qualified persons with a disability. In accordance with applicable law, the Drive-In may grant a reasonable accommodation for a qualifying physical or mental disability or other legally protected medical condition, provided the requested accommodation does not impose undue hardship on the Drive-In or does not present a direct threat to the health or safety of others in the workplace or to the individual.

[Franchisees should consider developing an accommodation process for their organization. The following sentences outline a sample accommodation process. California franchisees should be aware of California Code which makes it unlawful in itself for an employer to fail to engage in a timely, good-faith, interactive process to determine effective reasonable accommodations.]

If you believe that you need an accommodation to perform the essential functions of your job you must contact the Drive-In’s Multi-Unit Supervisor to request an accommodation. [If not a Multi-Unit Supervisor, designate another managerial employee to be responsible for accommodation issues.] The Drive-In Multi-Unit Supervisor will work with you and the Drive-In’s management in the accommodation process to explore and identify a reasonable accommodation for your individual situation. Employees are expected to fully cooperate in the interactive accommodation process. Employees who do not meaningfully cooperate in the accommodation process may waive their right to accommodation in accordance with applicable law.

If a member of management becomes aware that an employee may need an accommodation under this policy, the manager must advise the Multi-Unit Supervisor. The Multi-Unit Supervisor will then contact the employee and initiate the interactive accommodation process.

## Accommodation of Religious Beliefs and Practices

The Drive-In complies with Title VII of the Civil Rights Act and applicable state and local laws concerning the accommodation of religious beliefs and practices. We will provide reasonable accommodation for an employee’s sincerely held religious observances and practices when the employee brings such matters to management’s attention and a reasonable accommodation can be identified.

A reasonable accommodation is one that eliminates the conflict between an employee’s religious beliefs or practices and the employee’s job requirements, without causing undue hardship to the Drive-In or co-workers.

Individuals who seek a reasonable accommodation for their sincerely held religious beliefs or practices must notify the Drive-In’s Multi-Unit Supervisor. If, for any reason, you are not comfortable going to such person or if you are not satisfied with the results you received from such person, contact the Principal Owner of the Drive-In. [Include employee complaint/helpline number or the number of the person designated to receive such complaints.]

The employee’s request will be reviewed, and the employee will be given the opportunity to engage in an interactive dialogue regarding the requested accommodation. Employees are expected to fully cooperate with their Drive-In’s accommodation process. Employees who do not meaningfully cooperate in this established accommodation process may waive their right to accommodation in accordance with applicable law.

## Non-Discrimination Against and Accommodation for Nursing Mothers

[The FLSA requirement to provide break time for nursing mothers to express breast milk does not preempt state laws that provide greater protection to employees (for example, providing compensated break time, providing break time for exempt employees, or providing break time beyond one year after child’s birth. Consult with your employment law counsel to determine if your state’s laws warrant additional accommodation.]

[In light of the differences in state laws, the following is an example of a very general accommodation process.]

The Drive-In complies with all laws prohibiting discrimination against nursing mothers in the workplace. The Drive-In will provide reasonable unpaid break time or permit an employee to use paid break time, meal time, or both, each day to allow the employee to express breast milk for her nursing child. Please contact your Drive-In Operator/General Manager if you require accommodation.

## Genetic Information Nondiscrimination Act - GINA

A federal law known as “GINA” prohibits employers from obtaining genetic information about an applicant or employee except in very limited situations. It also protects applicants and employees from being discriminated against, harassed or retaliated against on the basis of genetic information.

Genetic information includes information about an individual’s genetic tests and genetic tests of an individual’s family members, as well as information about any disease disorder, or condition of a family members – i.e., an individual’s family medical history.

The Drive-In does not use genetic information to make employment decisions nor does it use such information to make determinations under its group health plans. It is a violation of this policy to ask for or obtain genetic information about an applicant or an employee, unless specifically authorized by law.

Under the law, there are certain exceptions pursuant to which an employer may be permitted to obtain an employee’s genetic information. These exceptions include, but are not limited to, inadvertent acquisition and voluntary disclosure of genetic information, as well as obtaining genetic information in response to an employer’s need to assess a requested leave under the Family and Medical Leave Act. In those circumstances where genetic information is maintained, it will be retained in a confidential manner and in a separate medical file so as to prevent unlawful disclosure.

All employees are required to be sensitive to the scope of day-to-day discussions and avoid discussion of their individual or family medical history in the workplace. Similarly, should any employee initiate discussions with you on this topic, you must refrain from discussing such topics and terminate the conversation immediately.

## Guests with Disabilities

There are many different types of disabilities that may require Drive-In employees to provide special assistance to our guests. These include, but are not limited to, speech, hearing, visual, and mobility disabilities. All Company employees must provide assistance to individuals with disabilities to ensure that they are able to enjoy our goods and services.

Some guests with hearing or speech disabilities may need to communicate with the Switchboard Attendant or Carhop with or without using speech. Their method of communication can vary depending upon the guest’s disability. For example, some individuals are able to speak but are unable to understand spoken words, while others may not be able to communicate using speech at all. When communication using speech or hearing is not possible, communication can usually be achieved by gesturing or exchanging written notes. Switchboard Attendants and Carhops must provide a pen and paper to such guests to facilitate this process. Guests who are blind or have low vision who are passengers will not be able to read the menu board. Switchboard Attendants and Carhops must promptly read the menu to these guests.

Identifying Guests with Disabilities:

1. Carhops and Switchboard Attendants should be observant when a guest parks in a designated accessible space as these are the guests who are more likely to require additional assistance.

2. Other spaces should also be observed for obvious signals that a guest needs assistance. Examples include when a guest:

a.) flashes car lights to signal attention

b.) honks the vehicle’s horn

c.) uses hand signs or hand movements to signal for attention

d.) is present at the menu board but is not speaking

Drive-In employees must provide prompt assistance to guests with disabilities.

[All Drive-Ins must ensure that their menu boards contain a statement on the board notifying guests with disabilities about how to request assistance. In addition, all Drive-Ins must maintain adequate supplies of pens and paper and provide them to hearing impaired guests when necessary.]

## I-9 Compliance Policy

[Franchisees should consult with their employment law counsel. Some states have recordkeeping and/or reporting requirements that go beyond federal law.] The Drive-In hires only United States citizens and aliens who are authorized to work in this country. As required by law and Drive-In policy, you must provide proof of work eligibility and proper identification and complete the employee portion of the I-9 Form upon date of hire. The information provided on the I-9 Form must be valid and authentic. Providing false or misleading information on the I-9 Form will result in immediate termination of employment. Management must never allow someone to work who has not appropriately completed the I-9 form process.

## Social Security Number Policy

[This policy relates to social security numbers. Use as applicable for your franchise organization.] For wage reporting purposes, all employees are required to provide their full legal name as it appears on their Social Security card and their Social Security Number upon hire. Any employee who fails to provide such information or who provides false or misleading information related to their name or Social Security Number (which includes providing a name and/or Social Security Number belonging to someone else) will be subject to disciplinary action, up to and including termination from employment.

Similarly, an employee who assists or knowingly allows another person to work using false or misleading information related to the person’s name and/or Social Security Number will be subject to termination from employment. If you are aware of any employee who is using another person’s name and/or SSN you are personally accountable for appropriately reporting the issue. Should the Drive-In become aware of any discrepancy between your Social Security Number and name, you will be asked to resolve the “mismatch” within a designated time frame. Failure to resolve the discrepancy may result in termination of employment.

# SECTION III - Open Door Policy and Concern Resolution Procedure

We value your concerns, suggestions and comments. In keeping with our belief in open communication, all employees are encouraged to speak freely with management about their job-related concerns. We urge you to go to your Drive-In’s Manager or the Drive-In’s Multi-Unit Supervisor to discuss your job-related ideas, recommendations, concerns and other issues which are important to you. The Drive-In’s entire management team is committed to resolving your individual concerns in a timely and appropriate manner.

To create an environment in which we can achieve our greatest potential and follow our Core Values, it is essential that every employee immediately report any concerns about work-related issues, especially any violations of Drive-In policies and procedures to the Drive-In’s Manager or to the Drive-In’s Multi-Unit Supervisor. [Again, designate two persons to receive such complaints. This should ideally be consistent with the above discrimination and harassment policy, and be consistent throughout this policy.] Such issues may include, for example, employee concerns relating to discrimination, harassment, disciplinary action received, employee pay, illegal or unethical conduct, or concerns about possible violence in the workplace. Intentionally making a false complaint is strictly prohibited and such conduct is subject to disciplinary action, up to and including termination of employment.

Rest assured, you may express any concerns without fear of retaliation. In fact, it is a violation of the Drive-In’s policies to take any adverse employment action against an employee because that employee has made a good faith complaint about or participated in an investigation concerning harassment, discrimination or retaliation.

To best ensure that your concerns will be addressed in a timely manner, please report any concerns to your Drive-In’s General Manager or the Drive-In’s Multi-Unit Supervisor as soon as possible. If you are uncomfortable reporting a concern to either of these people, please contact the Principal Owner of the Drive-In. **If the situation deals with your Drive-In’s Manager or the Drive-In’s Multi-Unit Supervisor** or if that person has not been able to satisfactorily resolve your concern, you should contact the Principal Owner of the Drive-In. [You should always include contact numbers for the referred individuals or for an employee complaint/help line. You can add the phone numbers to the policy here or you can provide the phone numbers on the inside front cover of the handbook. However, recognize that if you do not provide at least one contact number printed in this policy, you will be relying upon your management staff to fill out the phone numbers on the inside cover, This may not always protect you in litigation.]

Appropriate disciplinary measures will be taken against any employee who causes, engages in, encourages, condones, fails to report, or otherwise permits discrimination or harassment that violates this policy. Action will also be taken against any manager who fails to take corrective action to remedy such unlawful discrimination or harassment. Such conduct may be grounds for disciplinary action, up to and including termination of employment.

*Investigation*: All complaints of discrimination or harassment will be promptly investigated. The investigation will be conducted in such a way as to maintain confidentiality to the greatest extent practicable under the circumstances.

All employees are expected to be truthful, accurate and cooperative during any investigation. Pressuring another regarding, falsely denying, lying about or covering up or attempting to cover up misconduct or conduct that is the subject of an investigation is strictly prohibited and could lead to disciplinary action, up to and including termination of employment.

# SECTION IV - Workplace Practices and Standards of Conduct

[Insert Franchise Company name here] has adopted a Code of Conduct to support its commitment to a fun, safe and ethical place to work. While there is no way to develop a single set of rules to cover all situations that may arise at work, the Code of Conduct outlines basic guidelines for appropriate and ethical behavior. You are personally responsible for ensuring that your conduct is in compliance with the Code of Conduct, the law and the Drive-In’s standards and policies.

The Code of Conduct applies to all Drive-In employees and to all individuals who own an interest in a majority-owned [Insert Franchise Company name here] store (i.e., Supervising Partners and Working Partners/Working Managers). For simplification purposes, the terms “you” and “employee” will be used to apply to all individuals who are covered by this policy.

Follow the Drive-In Code of Conduct whenever you are on SONIC property: working a shift; taking your rest break or meal period; visiting the Drive-In; or conducting business on behalf of the Drive-In even if you are not on SONIC property (such as when you are at training, running errands for the Drive-In, etc.).

**Note:** Some parts of the Code of Conduct may apply to your behavior off the job, in accordance with applicable law.

 If you do not follow the Code of Conduct, you may be subject to disciplinary action, up to and including termination of employment in accordance with the Drive-In’s progressive discipline guidelines, which can be found in this Handbook. It is important to note that no one has the authority to direct, request or influence someone else to violate the Code of Conduct, the law or the Drive-In’s policies.

## Standards of Conduct

The Drive-In expects employees to follow standards of conduct that promote our mission statement and core values. **Nothing in this policy alters the fact that your employment is on an “at will” basis.** Your employment with the Drive-In is considered to be “at will,” and you are not being employed for any specified time. This means either you or the Drive-In may end the employment relationship at any time, with or without cause or advance notice. At will employment also means that the Drive-In may discipline you or change the terms of your employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work, at its discretion, at any time, with or without cause or advance notice. The foregoing provision regarding your status as an at-will employee may not be changed by any supervisor or other representative of the Drive-In.

Although it is not a complete list, the following are examples of conduct that may result in disciplinary action, up to and including immediate termination of employment:

1. Falsifying, tampering with or removing (without authorization) from the Drive-In, employment records or documents maintained by the Drive-In.
2. Conduct causing waste, damage, loss or destruction of Drive-In property or property belonging to others, including your uniform and hats.
3. Insubordination or disrespectful conduct, including refusal to perform assigned work, using foul or abusive language (including profanity) or disorderly or indecent conduct.
4. Failure to consistently perform job responsibilities in a satisfactory manner.
5. Rude or disrespectful behavior toward employees or Drive-In guests, including directly or indirectly requesting tips from guests.
6. Not entering and exiting the Drive-In through an approved entrance.
7. Failure to take appropriate action to remedy or to immediately report to management discrimination or harassment, safety hazards, equipment defects, accidents or injuries.
8. Violation of any Drive-In policy, procedure, rule or practice contained in this employee handbook or implemented by the Drive-In.
9. Intentionally making a false complaint, pressuring others to be untruthful, or falsely denying, lying about or otherwise covering up or attempting to cover up misconduct or conduct that is the subject of a complaint or investigation.
10. Inappropriate physical contact with another employee, including touching or grabbing another employee, engaging in horseplay, or any act of violence or threat of violence.
11. Any other conduct that the Drive-In determines, in its sole discretion, should be addressed with discipline, up to and including immediate termination of employment.

The above list contains examples of conduct that may result in disciplinary action and is not exhaustive. The Drive-In reserves the right, in its sole discretion, to choose any discipline it deems appropriate under the circumstances, including immediate termination of employment, relating to the above or any other conduct.

Nothing in this policy is intended to interfere with an employee’s right to engage in conduct protected under the National Labor Relations Act.

## Conflict of Interest

[Insert Franchise Company name here] has adopted the Conflict of Interest rules as part of its Code of Conduct to foster a professional, productive and positive work environment free from favoritism, the appearance of favoritism and actual or perceived conflicts of interest. Employees must avoid even the appearance of a conflict of interest that might cause others to doubt our fairness or integrity.

[Insert Company Franchise name here] fosters a professional, productive and positive work environment and to avoid favoritism, the appearance of favoritism and actual or perceived conflicts of interest, we have developed the following policies.

Unless given written permission by the Drive-In management, no employee should be supervised by a family member. Thus, Family Members are prohibited from working in roles where:

• One Family Member reports directly or indirectly to another Family Member

• One Family Member exercises management oversight or influence over the other Family Member’s performance, wages, career progress, hours or other terms and conditions of employment.

[Franchisees should consult with their employment law counsel regarding employment of relatives. Some states have enacted laws addressing spousal/familial relationships in the workplace, which prohibits employers from refusing to hire, discharging or otherwise discriminating against an applicant or employee solely because another member of that individual’s family works or has worked for the employer.]

Family Member means: spouse, common law spouse, domestic partner, parent, child (natural, adopted or legal guardianship), brother, sister, grandparent, grandchild, aunt, uncle, niece, nephew, cousin, corresponding in-law or “step” relation. [Use this sample definition or insert Franchise applicable definition of family member.]

The term Family Member also includes persons living in the same household together even if not related. Employees must disclose changes in their personal situation which result in a Family Member relationship in the workplace.

If the change results in Family Members working in Prohibited Roles, the one with the shorter length of service will be required to transfer, resign, or be terminated within 30 days unless the other does so voluntarily. If the change results in a Family Member having a business relationship with the Drive-In, the Drive-In management will work to resolve the conflict either through reassignment or termination of the employee.

This policy also applies to current dating relationships and relationships that may develop between employees.

## Employment of Minors

All employees must be at least [Franchise to insert minimum age requirement of his/her organization] years of age, unless prohibited under state law. We comply with all applicable federal, state and local laws regarding employment of individuals under 18 years of age. We also expect all minors to comply with such laws.

In accordance with Drive-In policy, all minors are required to provide proof of age documentation and such record will be retained in employee file. Any required work permits and age certificates must be provided by the employee.

### Breaks and Meal Periods for Minors

Minors must take and accurately record all breaks and meal periods required by the law of the state in which they work. Management is responsible for ensuring that all required breaks and meal periods are taken.

### Minors Driving

In compliance with federal and state law, employees under the age of 18 (minors) are prohibited from driving any type of motor vehicle (car, motorcycle, etc.) for work-related business. This policy applies whether the minor is driving his/her own vehicle, an employer-owned vehicle or someone else’s vehicle. There are **NEVER** any exceptions to this policy.

If a situation arises where the business needs of the Drive-In require an employee to drive for work-related business, the Drive-In manager must confirm that an employee asked to perform the errand is over the age of 18. All drivers must have a valid driver’s license and proof of insurance.

Examples of errands that are prohibited for minor employees include, but are not limited to:

1. Driving to the store to buy product or supplies;
2. Driving to another Drive-In to obtain or deliver product or supplies; or
3. Driving to distribute fliers, coupons, etc.

Even if a minor employee “volunteers” to perform an errand for the Drive-In that requires driving, Drive-In management must not allow the employee to perform the errand. This is true even if the employee is “clocked-out”. The Drive-in does not permit employees to work “off-the- clock”. All time spent working for the Drive-In, including work done off of the Drive-In’s premises, must be accurately reported by the employee and the Drive-In will appropriately compensate the employee.

If you are a minor and are asked to drive for work-related business, immediately tell the person making the request that you cannot do so because you are a minor. If that does not resolve the situation, immediately notify the Drive-In’s Manager or Multi-Unit Supervisor.

## Restricted Access Policy

In order to provide for the safety and security of Drive-In team members, to help prevent theft and for the efficient operation of the Drive- In, no one is allowed inside the Drive-In unless they are conducting official company business. Members of the public are not permitted inside the Drive-In. This includes family members and friends of employees. Additionally, employees and management persons are not permitted inside the Drive-In unless they are on-duty. Employees and management should not spend any significant amount of time before or after their assigned shift inside the Drive-In. Employees are allowed to come into the Drive-In to check their schedule during the allowed time. However, any time spent in the Drive-In for these purposes must be minimal in length.

## Drive-In Telephone/Personal Visits/Switchboard

Always answer the phone promptly, within two rings in a friendly, polite manner, for example: “Good (morning, afternoon, evening), SONIC Drive-In, may I help you?” Quickly refer the call to a manager if you are unable to assist the caller. Always thank the person for calling.

Check with the manager on duty before using the telephone. Personal use of the Drive-In telephones for long-distance calls or accepting collect calls is not permitted.

Personal visits are prohibited, unless they are of a verified emergency nature. The Drive-In is a place of business and should reflect that at all times. The switchboard is our primary means for receiving the guest’s order. Personal conversations over the switchboard are prohibited.

## Meetings

Crew meetings are held on a regular basis. Meetings are held for a variety of reasons such as new menu offerings, upcoming promotions and events, training, policies, etc. Such meetings are treated as a shift and attendance is mandatory. Meeting time is paid time and employees must be clocked-in or reported to the manager to enter into the payroll system. Only management-approved absences will be accepted.

## Progressive Discipline Guidelines

[This policy refers to Progressive Discipline. Franchise organizations should update this with their specific policy/procedure.]

Every [Insert Franchise Company name here] employee has the duty and responsibility to perform his/her job duties and abide by existing [Insert Franchise Company name here] rules, policies, and standards. [Insert Franchise Company name here] generally supports the use of progressive discipline to address employee issues such as poor work performance or misconduct. To assist management, [Insert Franchise Company name here] maintains Progressive Discipline Guidelines, which are not all-inclusive or absolute. [Insert Franchise Company name here] reserves the right to depart from its Progressive Discipline Guidelines depending upon the particular circumstances. In the event an employee offense is not specifically listed in the Progressive Discipline Guidelines, management will determine the appropriate disciplinary action based upon the particular circumstances.

[Insert Franchise Company name here] use of progressive discipline does not alter the at-will employment relationship between [Insert Franchise Company name here] and its employees. As stated in this Handbook, all [Insert Franchise Company name here] employees are employed at will, meaning [Insert Franchise Company name here] or the employee may terminate the employment relationship at any time, with or without cause, without following any specific procedure or guidelines.

If you have any questions about [Insert Franchise Company name here] use of progressive discipline, please contact [Insert appropriate party here.]

## Drug-Free Workplace

It is our intent to provide a drug-free workplace. While on the Drive-In's premises and while conducting business-related activities off premises, no employee may use, possess, manufacture, distribute, sell, or be under the influence of alcohol, marijuana, illegal drugs or controlled substances (unless the employee’s possession or use occurs under a valid medical prescription). Such conduct is also prohibited during non-working time to the extent that, in the opinion of the Drive-In’s management team, it impairs an employee’s ability to perform on the job or threatens the reputation or integrity of the SONIC Drive-In. Included within this prohibition are lawful controlled substances that have been illegally or improperly obtained. This policy does not prohibit the possession and proper use of lawfully prescribed drugs taken in accordance with the prescription, so long as such use does not impact the ability of the employee to safely perform his or her job and does not impact the safety of others. Violations of this policy may also have legal consequences.

[Franchisee may wish to substitute its own policy here. Before implementing or requiring drug and alcohol testing of your employees, consult your state’s law or your employment law counsel. Many states require employers to follow certain established procedures and require a written policy to be distributed to employees in advance of any testing.]

## Workplace Investigation and Searches

[When investigating privacy issues regarding employees, courts often look at the employee's "expectation of privacy." In general, courts will find an invasion of privacy when the employee had a "reasonable" expectation of privacy. Courts have held that in areas such as bathrooms and locker rooms, employees have a high expectation of privacy, but in common areas and places frequented by the public, including public roadways, this expectation is lessened. To successfully lower an employee's expectation of privacy, an employer should present the employee with an articulate, straightforward policy spelling out the employer's monitoring policy, rules on e-mail use, telephone use, use of company-owned vehicles, and methods of surveillance the employer may use. Notice should be given to employees on the date of hire to immediately establish the level of privacy the new employee can expect. Additionally, be aware that some state law court cases have recognized that employees, in certain instances, have a “legally protected interest in privacy.” Therefore, a search of an employee’s vehicle on company property without sufficient cause could expose an employer to liability for an invasion of privacy claim.]

When deemed necessary and permitted under applicable law, the Drive-In’s Manager/Operator or Multi-Unit Supervisor may search and inspect both Drive-In property and premises. Any search or inspection must be based on a reasonable suspicion of theft, possession of alcohol, marijuana, illegal drugs, contraband, or violation of any other provision of this Handbook. Searches may include asking an employee to empty his/her pockets, searching personal items brought onto company property, searching the Drive-In’s premises (including storage areas or other employee areas) and searching the Drive-In’s equipment (including computers). Failure or refusal to cooperate in a lawful search, inspection or investigation as specified above will result in disciplinary action, up to and including termination of employment. Employees are discouraged from bringing personal items to work.

Management may not search an employee’s vehicle for a firearm, weapon or other dangerous item. If management has reasonable suspicion that an employee illegally possesses a firearm, weapon or other dangerous item, management must immediately contact the police. Any search of the employee’s property for an illegally possessed firearm, weapon or other dangerous item will only be conducted by on-duty law enforcement. [Note, some states allow properly licensed individuals to carry weapons, including in their automobile. While most allow an employer to restrict weapons in the workplace, some prohibit an employer from restricting the storage of concealed firearms in vehicles parked on employer’s property if certain requirements are met.]

Employees will never be asked or permitted to remove any clothing or to be touched by another person as part of an investigation search by the Drive-In. If you are asked to participate in such a search, (even if such search request is made by a member of management), you must tell the person making the request that you cannot do so because it is a violation of policy. If that does not resolve the situation, you must immediately notify the Drive-In’s Multi-Unit Supervisor or Principal Owner.

## Theft

We do not tolerate theft. Employee theft will be reported to law enforcement and appropriate disciplinary action will be taken up to and including termination of employment. No item purchased or supplied by the Drive-In should be removed from the Drive-In without express authorization from the Drive-In’s Manager. This includes but is not limited to:

* The unauthorized removal of Drive-In money, coupons or gift cards.
* The unauthorized removal of food, chemicals, paper products or equipment from the Drive-In.
* Consumption of food or beverages that have not been properly entered into the POS system (producing a receipt) and either purchased or an approved discount has been applied.
* Inappropriate use of discounts, coupons or gift cards.
* The misuse of the Drive-In POS system resulting in a loss for the Drive-In.
* The unauthorized removal or copying of documents that belong to the Drive-In.
* The unauthorized use of the Drive-In computer, fax or telephone.
* The removal or misuse of items belonging to other Drive-In employees, vendors or guests.

## Return of Property

Employees leaving employment must return all Drive-In property on or before their last day of work. [Before deducting money from an employee’s paycheck based on a failure to return company property (such as uniforms), franchisees should consult with their employment law counsel. Many states have restrictions which impose strict requirements on the procedures that must be followed before deducting such money and some states prohibit such deductions completely. In addition, even when deducting money from an employee paycheck is appropriate, franchisees should be certain that employees are paid the applicable minimum wage for all hours worked during a workweek after taking any deductions into account.]

Due to health related concerns of cross contamination and to promote efficient use of work time, cell phones, MP3 players, tablets, and other mobile devices are not permitted in the building during an employee’s working time. In addition, such devices are not permitted in food preparation areas at any time.

Employees may use their mobile device only while on permitted breaks and meal periods. Employees must go outside of the building to use their mobile device and follow the hand washing rule when they come back inside.

Designated managers are permitted to carry their mobile device within the building in case of emergency or for other legitimate, work-related purposes, as designated by the Drive-In.

The Drive-In is not responsible for the loss of or damage to personal items, including vehicles, brought onto Drive-In property. Employees will be asked to remove personal items brought onto Drive-In property if management finds such items to be harassing or offensive to co-workers or in violation of the policies (e.g., the Drive-In’s discrimination and harassment policies) otherwise contained in this Handbook.

Store personal belongings in designated areas only. Don’t bring valuable items to work. This will prevent theft or loss of your belongings. The Drive-In is not responsible for misplaced or lost items.

## Solicitation, Distribution and Posting

[When implementing a policy that limits solicitation and distribution in the Drive- in, employers must be careful not to violate the National Labor Relations Act (NLRA), which protects employees' right to engage in solicitation and distribution in certain places at certain times at work. Solicitation is the oral request for support or the request for signatures to support an organization. Solicitation includes requesting money or support from other employees for things such as charitable donations or to purchase goods or services. Employees do have a right, however, to solicit other employees during non- working times. This includes solicitation regarding a union. Distribution is the exchange of written material or tangible things. Employees have a right to distribute materials in non-working areas during non-working times. Also, employees may be prohibited from distributing literature in working areas of the organization during nonworking times provided that the employer has a legitimate business reason to restrict the distribution, such as keeping the area clean. It is a good idea to have a policy in place that restricts solicitation and distribution before a problem arises. Employers must be careful, however, to not discriminatorily enforce a no solicitation/no distribution policy. The policy must be enforced equally to all non-Drive-In sponsored solicitations and distributions, including those relating to employees' personal charities and/or businesses. In other words, it is unlawful for a Drive-In to allow an employee to distribute/sell Girl Scout Cookies at work during working time, but not allow an employee to distribute union flyers at work during working time. The policy also should be enforced regardless of the religious, racial, ethnic, gender or age group of the employee. Once such a policy is created, it should be placed in the employee handbook and/or posted in a conspicuous place.]

Solicitation by Drive-In team members of any other team members for any purpose (e.g. for money, goods or services, or to contribute to, join, or support any endeavor or project) is not permitted during working time (as defined below). Distribution of printed material or other tangible communications by Drive-In team members is not permitted during working time, during non-working time in working areas (as defined below) or when such distribution would interfere with the work of another team member.

Solicitation or distribution of any printed material or other tangible communications by non-Drive-In team members is prohibited at all times on SONIC Drive-In property. Non-Drive-In team members are prohibited from entering or utilizing SONIC Drive-In property (as defined below) to solicit or to distribute printed material or other tangible communications.

“Working time” refers to that portion of any work day during which the team member is supposed to be performing job duties. It does not include meal periods or rest periods.

“Working areas” refers to any areas of the SONIC Drive-In property where team members regularly perform work, or are performing work.

“SONIC Drive-In property” includes all buildings, facilities, grounds, premises, parking lots, places, and vehicles owned, leased or managed by SONIC Drive-In, its subsidiaries or affiliate companies, or any such areas where SONIC has exclusory interests.

The Drive-In may authorize a limited number of fundraising drives for Drive-In sponsored charitable organizations, such as an annual Muscular Dystrophy Association drive. Solicitation for these specific charitable purposes must be approved, sponsored, and coordinated by the Drive-In's Manager/Operator.

# SECTION V – Your Pay and Benefits

[Many states require employees to be paid at certain times each month and require that this information be given to employees in writing. Therefore, franchisees should state when employees are to be paid in the Handbook, post this information in the Drive-In or otherwise give employees written notice of this.

During onboarding, you will select how you wish to receive your pay each pay period. Employees may choose to be paid by either: [Insert payment options for your Franchise here]

[Some states specify a shorter amount of time within which separating employees must be paid. For example, in some states payment of wages is due at the time the employee is involuntarily discharged. There are also some states which specify a shorter time frame within which to pay an employee who voluntarily terminates his or her employment. Franchisees should consult with employment law counsel.]

## Pay Card

If you choose to be paid by pay card, your pay card will be [insert delivery method here]**.** The pay card will be reloaded each pay day. The pay card is similar to a debit or credit card. [Some states have passed laws regulating the use of Paycards. Seek advice from your legal counsel prior to implementing Paycards as a method of wage payment.]

## Paper Check

If you choose paper check as your pay option, you will receive your check [Insert delivery method here].

## Direct Deposit

[If your organization participates in direct deposit, you may want to include information for employees. Franchisee should consult with their employment law counsel. Many states have specific laws governing the use of direct deposit.]

Employees are encouraged to take advantage of the direct deposit payroll option. By participating, paychecks will be automatically deposited each payday to a bank account of choice and the funds will be available immediately.

If you choose direct deposit as your pay option, your direct deposit authorization will

[Insert authorization timeline here.]

All required deductions, such as federal, state and local taxes, and all voluntary deductions authorized in writing, such as health insurance premiums, are automatically withheld from paychecks. Any other mandatory deductions, such as court-ordered wage assignments or garnishments, will be made in accordance with applicable law.

[Insert Franchise Company name here] makes every effort to ensure that you are paid correctly for all hours worked. However, employees are responsible for verifying the accuracy of their time and pay each pay period by reviewing their pay statement. If a mistake is found, you must immediately report it to your Drive-In Manager or Multi-Unit Supervisor.

## Pay Statements

[Franchisee may wish to explain its individual franchise organization here. Be mindful of applicable state laws regarding delivery of employee pay information. Some states require employers to furnish a copy of the pay statement; ensure their employees have access to electronic pay stubs; and the capability to print the electronic pay statement.]

## Employee Benefits

 [Franchisees may wish to include more specifics concerning its group health plan and any related benefits.]

At [Insert Franchise Company name here], our people have always been and will always be the heart of our business. As a SONIC Drive-In employee, whether you train and motivate employees, cook the food, or deliver the meal, you create our customers’ experience - you are our brand. As a SONIC ambassador, your health and well-being are a top priority to us and we are committed to offering a high-quality benefits package designed to support and assist eligible employees and dependents.

You may be eligible to participate in a group health benefits program depending on your position with the Drive-In and on your length of service from your date of hire. Please contact the Drive-In Manager regarding eligibility to participate in a group health plan or other related benefits

The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees who participate in the Drive-In’s health insurance plan and their eligible dependents the opportunity to continue or convert their health insurance coverage under certain specified circumstances. For additional information, please refer to the initial notice describing your rights under COBRA that was sent to you after your enrollment in the Drive-In’s health plan or contact the Drive-In’s Manager or Multi-Unit Supervisor.

The above information is a brief summary of the benefit plans offered by the Drive-In. Final interpretation of any provision of any plan is governed by the Summary Plan Descriptions. The Drive-In reserves the right to amend or terminate any of its benefits programs or to require or increase employee premium contributions toward any benefits at its discretion, with or without advance notice.

## Employee Meal Program

[Franchisees may wish to include specific program details if a discounted employee meal program is offered.]

The following beverages are free\* to all restaurant employees during their work shift:

• soft drinks

• coffee

• tea

• tap water

\*Employees must use the designated employee cup or personal beverage holder to receive these beverages at no cost.

We know you get hungry serving SONIC’s One-of-a-Kind Guests, so we have designed an Employee Meal Program to delight YOU – our most valuable resource!

When you work a shift of three or more hours, you may receive one meal at a 100% discount, up to an $8 daily maximum.

The 100% employee meal discount is only applicable to orders placed and consumed:

• immediately before an employee clocks-in for a shift;

• while the employee is on break; or

• immediately after a scheduled shift.

All prepared food and drink items, including combo meals and frozen favorites, up to a maximum benefit of $8 per day.

• All food and drink items must be consumed in a designated break area and never in a food production area, prep area, or on the front line.

• Orders placed before the employee’s shift begins are to be consumed before the employee clocks-in for work. Orders placed after the employee’s shift ends, must be consumed after the employee clocks-out.

• Crew members are not permitted to ring in their own order or prepare their own food. In all cases, it is required that the highest level manager on duty be involved in the redemption of an Employee Meal and should ring up the transaction as an Employee Meal Discount.

• Eating food or drink that is not rung up may be considered theft, and may result in disciplinary action, up to and including termination of employment.

• The free employee meal benefit, up to $8 per day, applies to the EMPLOYEE ONLY and does not include the employee’s family or friends.

# SECTION VI – Work Schedules and Wage and Hour Policies and Practices

## Work Schedule

[To comply with the laws of most states, employers must give written notice to their employees setting forth the employer’s established workweek. Therefore, franchisees will want to specify its workweek here and make sure the schedule for each workweek is posted in the Drive-In or otherwise given to employees. Example: The workweek for all employees is Monday through Sunday (or specify if different from this). Franchisees may want to specifically state when the work schedule must be posted. This is a sample of what should be communicated to your employees about scheduling and hours.]

The workweek begins each \_\_\_\_\_\_\_\_\_\_\_\_ and ends on each \_\_\_\_\_\_\_\_\_\_\_\_\_. Your manager will show you where the schedule is posted. Be sure to check the schedule frequently. Work schedules are prepared to meet the business demands of the Drive-In and may be changed from time to time at the discretion of management to meet business needs. [Predictive scheduling laws have been enacted in certain municipalities and regions. Work with your employment law counsel to determine if predictive scheduling laws apply in areas where you operate.]

## Reporting Your Hours and Compensation for All Hours Worked

The Drive In compensates hourly employees for all hours worked. Employees must clock in and out on the Drive-In’s timekeeping system for all hours worked. Clock-in at the beginning of each shift and out at the end of each shift.

If you forget to clock-in or clock-out or if your recorded time is incorrect:

* You must immediately let your manager know.
* Your manager will make any necessary correction.
* Both you and your Drive-In Manager/Operator will initial the appropriate paperwork for the adjustment.

If, for some reason, you are unable to clock-in or clock-out, you must notify your on-duty manager as soon as possible so that your manager can contact the appropriate parties [Franchisee may wish to explain its individual franchise organization here.]

[Non-exempt employees are those who are covered under the Fair Labor Standards Act minimum wage and overtime pay provisions. An employee who is paid on an hourly basis is usually considered to be non-exempt, regardless of the hourly rate paid (there are some exceptions to this, however.) Employees are also non-exempt if they do not qualify for one of several exemptions.]

If you have questions about deductions from your pay, if your pay does not accurately reflect your hours worked or if you are aware of violations of this policy, immediately notify the Drive-In Management. Appropriate steps will be taken to address your concerns.

Efforts will be made to investigate any concerns as promptly as possible. Appropriate corrective action (up to and including termination of employment) may be taken against any person found to have violated the wage and hour practices and policies of the employer.

It is a violation of this policy to take any adverse employment action against an employee because that person has made a good faith complaint about alleged violations of wage and hour laws or participated in an investigation. Any form of retaliation will result in disciplinary action, up to and including termination of employment.

[Franchisee should consult with their employment law counsel. Many states govern the time within which payments for wages must be made.]

## Overtime

Overtime consists of all hours worked over 40 hours in a single workweek by an hourly employee.

Overtime hours are paid at a rate equal to one and a half times your regular rate of pay. In some states certain overtime hours are paid at a rate greater than this. Ask your manager about the overtime rules in your state. Before you work overtime, ask you manager for approval. Employees must not work unscheduled overtime without the approval of their manager. Employees that work unauthorized overtime may be subject to disciplinary action.

[The laws of certain states may define “overtime” differently and require overtime to be calculated in a different manner. Franchisees should consult with their employment law counsel.]

## Off-the-Clock Work is prohibited

You must accurately report all time spent working for the Drive-In. This includes, but is not limited to: work completed at home or away from the Drive-In for the Drive- In’s benefit; crew meetings; store decoration; clean-up work; work performed before or after you have clocked in or out; and all time spent in training; etc.

Employees should report for work on time and be prepared to begin work at the scheduled start of their shift. Your manager must approve any changes to the employee schedule in advance of your shift. Employees should not wait on the Drive-In’s property to clock-in before their scheduled start time. Before performing any work other than that for which you are scheduled, be sure that you are authorized to perform such work and be sure that such time is properly added to your time record.

Employees are expected to come to work in their standard Drive-In uniform except as set forth below. Carhops who wear skates and related personal safety gear to perform work may not put on their skates or their related personal safety gear to perform work until after they have clocked in for their shift and are on working time. In addition, employees should not put on any item of health or safety specific gear, including relating to food preparation or cleaning, until after they have clocked in for their shift. Employee must remove their skates and any and all items of health or safety specific gear prior to clocking out.

## Employee Breaks and Meal Periods

Breaks will be provided at the manager’s discretion based upon the flow of business and in accordance with federal and state laws where applicable. In states where meal periods and/or breaks are required, you must (depending on the length of your shift) take a meal period and/or rest break.

You must record the starting and ending time of your break in the manner required by the Drive-In. Your manager will show you the location at the Drive-In to take your breaks. You will be paid for rest breaks that are less than 30 minutes in length. Employees who extend authorized rest break periods beyond approved limits are subject to disciplinary action, up to and including termination of employment.

Depending upon the length of your shift and applicable laws, you may receive a meal period lasting 30 minutes or more. Employees must be completely relieved of all work responsibilities during their meal period, and may not perform any job duties during their meal period. Ask your manager for more information about when you may receive a meal period.

Meal Period Rules:

* Clock-out and back in when you take a meal period lasting 30 minutes or more.
* If you perform any work which interrupts your meal period, you must clock back in so you will be paid for your meal period.
* Employees are allowed to leave the premises during meal periods.
* Employees should not clock back in early from a meal period to perform work without receiving approval from a manager.
* Employees who work during meal periods without authorization and clocking back in are subject to disciplinary action, up to and including termination of employment.

Employees are expected to resume work promptly following break and/or meal periods. Excessive tardiness from breaks or meal periods may lead to disciplinary action, up to and including termination of employment.

Managers are required to comply with this policy and to pay employees for all compensable time.

Your manager must approve time off. Give your request to your manager at least one week before the work schedule is posted.

To keep employee records up-to-date, you must notify your manager of any changes in:

* Address
* Telephone number
* Legal name
* Number of dependents
* Emergency contact information

## Underpayment/Overpayment

If an employee has been underpaid, the Drive-In will pay the employee the difference as soon as possible. If the employee has been paid in excess of what he or she has earned, the employee will need to return the overpayment to the Drive-In immediately. No employee is entitled to retain any pay in excess of the amount he or she has earned according to the agreed upon rate of pay. If a wage overpayment occurs, the overpayment will be regarded as an advance of future wages payable and will be deducted from the next available paycheck(s) until the overpaid amount has been fully repaid where appropriate under federal and state law.

[Franchisee should consult with their employment law counsel. Some states prohibit the deduction of overpaid wages, while other states regulate how and under what conditions an employer may deduct overpayments. In addition, many states require written authorization before certain deductions may be made. Finally, franchisees should make sure that any appropriate deductions taken from any employee paycheck does not result in the employee receiving less than minimum wage for all hours worked during a given workweek.]

## Exempt/ Salaried Employees

[The Fair Labor Standards Act exempts broad categories of “white-collar” jobs from minimum wage and overtime requirements if they meet certain tests regarding job duties and responsibilities, are paid a certain minimum salary, and meet certain salary basis requirements. These categories include executives, administrative employees, professional employees, outside and certain retail sales personnel, and highly compensated individuals. Employers should periodically review the classification of exempt employees to ensure that they still qualify for exempt status.] If you are classified as a salaried exempt employee, you will be paid on a “salary basis”. This means that, subject to the exceptions listed below, you will receive your full salary for any workweek in which you perform any work for the Drive-In, regardless of the actual number of days or hours worked. The Drive-In will not take deductions for absences that are less than a full workweek other than those listed below. Your salary can be reduced for any workweek in which you do not perform any work for the Drive- in. Even if you perform work during a workweek, your salary can be reduced for any of the following reasons (unless prohibited by state or local law). [Franchisees should be aware of their state’s law regarding deductions from a salaried employee and proceed with caution with respect to such deductions, as this may jeopardize the salary basis for exemption in certain state. The following deductions are based on federal law. Some state laws are more strict]

1. Personal Reasons: Full-day absences for personal reasons, other than sickness or disability. For example, if an employee is absent for one and a half days to handle personal affairs, a deduction may be made for the one full-day absence. Deductions for a partial day absence are prohibited and will not be made.
2. Sickness or Disability: Full day absences for sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for loss of salary occasioned by such sickness or disability. Deductions for such full-day absences also may be made before the employee has qualified under the plan, policy or practice, and after the employee has exhausted the leave allowance thereunder.
3. FMLA: Absences taken under the Family and Medical Leave Act (either full or partial day absences).
4. First or Last Week of Employment: During the first or last week of employment in the event you work less than a full week.
5. Disciplinary Suspensions: Full day disciplinary suspensions for violation of any written policy or procedure, unless prohibited by state law.

[Some states do not allow partial week deductions for such violations and others only allow partial week deductions for violations of a major safety rule. See above]

## Pay Procedures

[This policy refers to employee pay procedures. Feel free to edit in accordance with your Franchise Organization procedure]. If you are a Crew Member, Carhop, Skating Carhop, Crew Leader, Assistant Manager or First-Assistant Manager, you will be paid on a \_\_\_\_\_\_\_ basis. Drive-In Managers/Operators and Multi-Unit Supervisors are paid \_\_\_\_\_\_\_\_\_\_\_\_, on the \_\_\_\_\_\_\_\_\_\_\_\_.

All required deductions, such as federal, state and local taxes and all voluntary deductions authorized in writing, such as health insurance premiums, are automatically withheld from paychecks. Any other mandatory deductions, such as court-ordered wage assignments or garnishments, will be made in accordance with applicable law.

## Final Pay

An employee’s final pay will be issued as required by applicable state laws.

[Franchisees should consult with their employment law counsel to determine when an employee’s final paycheck is due. Some states require that employees receive their final paycheck on or before a specified time prior to the next regularly scheduled pay period. Some states specify a shorter amount of time within which separating employees must be paid. For example, in some states payment of wages is due at the time the employee is involuntarily discharged. There are also some states which specify a shorter time frame within which to pay an employee who voluntarily terminates his or her employment.]

# SECTION VII - Policies Relating to Employee Tips

## Notice to Employees Who Receive Tips

[This section contains sample policies, procedures and notices pertaining to tip wage, tip credit and tip reporting. Franchisees should consult with their employment law counsel and modify policies according to their franchise organization and applicable state laws. Note that even if your franchise organization is not using “tip wage” (i.e. taking a tip credit), the tip reporting requirements are still applicable.]

Most Drive-Ins have implemented a dedicated Carhop position. The dedicated Carhop position is primarily responsible for servicing Drive-In guests in a timely and friendly manner. Carhops typically receive tips and therefore are paid what is commonly referred to as a “tip wage”.

In accordance with the Fair Labor Standards Act (FLSA) and applicable state law, the Drive-In intends to take the “tip credit” when you are paid at an hourly rate less than minimum wage for your work as a “tipped employee”. You should carefully read the Tip Credit Notice and additional information about tip wage, which can be found in this Handbook. It will explain how your pay will be calculated and paid if you work as a “tipped employee” (i.e., in the Carhop and Skating Carhop positions).

If you do not understand this information or if you have questions or concerns, contact your manager or your Drive-In’s Multi-Unit Supervisor.

Any employee that takes money from a customer for his or her use or personal benefit without the consent of the customer or that is not intended as a “tip” by the customer is considered theft.

The Drive-In is required to pay all employees a wage equal to or greater than applicable minimum wage. As permitted by law, the Drive-In may pay its Carhops who customarily and regularly receive more than $30 per month in tips (“tipped employees”) a tip wage of less than the applicable minimum wage. The tips the Carhop actually receives, plus the “tip wage” (which is subject to the state and federal minimum requirements) must equal or exceed the applicable minimum wage. [Franchisee should consult with their employment law counsel. Some state law definitions of “tipped employees” vary from the federal definition of more than $30.00.]

This information is being provided to you in accordance with Section 203(m) of the Fair Labor Standards Act (FLSA):

1. Under the FLSA and applicable state law, an employer is required to pay all employees a wage equal to or greater than the applicable minimum wage.
2. An employer may pay employees who customarily and regularly receive more than $30 per month in tips (“tipped employees”) a tip wage of at least $2.13 per hour, or a higher rate in some states. This practice is commonly known as taking a “tip credit” against the minimum wage.
3. An employer may not take a tip credit with respect to any tipped employee unless the employee has been informed by the employer of the tip credit.
4. The tips a tipped employee receives, plus the “tip wage” paid to the tipped employee by the employer, must equal or exceed the applicable minimum wage. Thus, if the amount of tips actually received each workweek combined with the tip wage paid does not equal the minimum wage, the Drive-In will pay the additional amount necessary to ensure the tipped employee receives at least the full minimum wage in wages and tips combined.
5. If during any workweek, a tipped employee’s tips and tip wage combined do not satisfy the applicable minimum wage, the employer must pay the employee the difference in the employee’s paycheck.
6. The amount of “tip credit” taken by the employer may never exceed the amount of tips actually received by the employee.
7. If you are a tipped employee, your tip wage rate will be at least $2.13 per hour, or a higher rate in some states. You will be told your hourly tip wage rate when you begin work, and any time your tip wage rate changes. Your tip wage rate will also be shown on your pay statement.
8. The amount of tip credit taken by the Drive-In will be shown on your pay statement. In addition, you can determine the amount of the tip credit by subtracting your tip wage rate from the required minimum wage rate. For example, if the minimum wage is $7.25 per hour, and your tip wage rate is $3.13 per hour, the Drive-In will take a tip credit equal to $4.12 per hour, assuming you receive tips that average at least $4.12 per hour during the workweek.

The minimum wage, minimum tip wage rate and maximum tip credit that may be taken by an employer varies by state. You may verify the applicable minimum wage, minimum tip wage rate and maximum tip credit amount by consulting the wage and hour poster for the state in which you work. This poster is posted in your Drive-In. If you are not sure which poster this is, please ask your manager or the Drive-In’s Multi-Unit Supervisor.

The following is the wage formula for tipped employees.

***Tip wage for Carhop (paid by the Drive-In) + tips from guests = at least Minimum Wage***

This practice is more commonly known as taking a tip credit against the minimum wage. If during any workweek, a tipped employee’s tips and tip wage combined do not satisfy the applicable minimum wage, the Drive-In will pay the employee the difference in the employee’s paycheck. The minimum tip wage that the Drive-In may pay and the applicable minimum wage and tip credit amounts vary by state. [Franchisee should consult with their employment law counsel regarding the applicable state minimum wage and allowable tip credit amount.] To verify the applicable minimum wage, tip wage, and tip credit in your state and to learn more about your rights with respect to the payment of tips, please consult the wage and hours poster in your Drive-In. If you are not sure which poster this is, please ask your manager. Additionally, in order to better understand the tip wage program, please see below.

## Tip Reporting Requirement

Regardless of whether you are paid tip wage or full wage, the Internal Revenue Service (IRS) requires you to accurately report ALL of your tips to us so that correct taxes are withheld. You must report the actual amount of tips you receive each day in the Drive-In’s computer system. The amount of tips you report (both for the current pay period and year to date (YTD)) will be reflected on your pay statement. Failure to report inaccuracies in the amount of tips shown on your pay statement indicates you acknowledge that your tip information on the pay statement is accurate and correct.

Accurately reporting all of your tips means higher Social Security benefits and higher unemployment benefits if you ever need them. Accurate tip reporting also helps you establish a correct record of your earnings. This is important when you apply for loans, credit cards, apartment leases, etc.

## Additional Information about Tip Wage

[Certain states prohibit tip credit, while others allow it only under certain conditions (e.g., combined amount received from the employer and in tips is greater than applicable minimum wage), and/or have a set minimum tip wage or allowable tip credit.]

1. A tip credit will be taken only against the wages of tipped employees; i.e., employees working in the carhop position who customarily and regularly receive at least $30 per month in tips. [See above. Franchisees should consult with their employment law counsel as some state law definitions of “tipped employees” vary.]
2. If your pay rate is less than minimum wage, your wages are considered to be increased on account of the tip credit to make up the difference between your pay rate and the applicable minimum wage. The amount of “tip credit” taken by the Drive-In may never exceed the amount of tips actually received by you*.* **Drive-In management is strictly prohibited from requiring employees to report more tips than they actually receive and from modifying the amount of tips declared by employees.**
3. Tips are the sole property of the tipped employee. Tipped employees must retain all tips. **Drive-In management is strictly prohibited from retaining any of the tips or using any of the tips to pay for cash shortages, breakage, uniforms, etc.**
4. Tips are never to be pooled with other Carhops, Crew Members, Crew Trainers or with any member of the Drive-In management.
5. Carhops and Skating Carhops (“Carhops”) are primarily responsible for serving Drive-In customers. Carhops receiving tip wage may be required to perform non-tipped duties during their shift only if: **(1) the non-tipped duties are related to their tip producing duties (i.e., serving customers); (2) they do not spend more than 20% of their time on the non-tipped duties; and (3) they do not perform any work during their shift that is unrelated to their tip producing duties (serving customers).** Employees who do not meet these requirements must be placed on full wage. Employees working Drive-thru must be placed on full wage – they cannot be placed on tip wage.
6. Dual jobs: When a tipped employee works in any position other than the Carhop position (such as a Cook), the tip wage will be utilized only for the hours the employee works in the Carhop position. [Note that federal law and various state laws have certain restrictions on tip pooling.]
7. Overtime: For all hours worked in excess of 40 per week, tipped employees will be paid at the rate of one and one-half times their highest hourly rate or minimum wage (whichever is greater). Tips are included in the regular rate of pay only to the extent they are used to satisfy the minimum wage obligation (the tip credit). Tips received in excess of the tip credit amount are not included in overtime calculations because they are not considered payments made by the Drive-In. If the employee’s hourly wage rate (not including tips) exceeds the federal minimum, the overtime rate is one and one-half times the hourly wage. In some states certain overtime hours are paid at a rate greater than this. The Drive-In will comply with the law that provides the greatest benefit to the employee.

[Calculating overtime for an employee who holds dual jobs (carhop position and crew position) in a tip wage environment is to be calculated based on the regular rate of pay. In order to determine the regular rate, you must determine the total amount of remuneration paid in a workweek. The total remuneration amount includes the total minimum wage obligation amount in the carhop position and the total amount in the crew position. The tips that are received above the minimum wage obligation are not to be included. Once the total amount of remuneration paid is determined, then the employer is to divide it into the total amount of hours worked for both positions to determine the regular rate of pay. This regular rate of pay is then divided in half, which equals the overtime premium due for each hour worked over forty. The overtime premium is then multiplied by the number of overtime hours worked in the workweek. Because of the complexity involved in determining the “regular rate of pay”, the company stores made a policy decision to pay overtime at the higher pay rate amount of the two positions. As an independent employer, you can decide whether to follow such law or provide a higher overtime benefit amount above federal and/or state law]

*Very Important to Remember:*

* + *Drive-In management is strictly prohibited from requiring employees to report more tips than they actually receive and from modifying the amount of tips declared by employees.*
	+ *Drive-In management is strictly prohibited from retaining any of the tips or using any of the tips to pay for cash shortages, breakage, uniforms, etc.*
	+ *Carhops receiving tip wage may be required to perform non-tipped duties during their shift* ONLY *if the non-tipped duties are related to their tip producing duties; they do not spend more than 20% of their time on the non-tipped duties; and they do not perform any work during their shift that is unrelated to their tip producing duties.*

*If you are working as a carhop and experience any of the three situations listed above, you must immediately notify [insert applicable contact information here].*

## Tip Rate Determination Agreement (TRDA) and Employee Responsibility Under the TRDA

[The following is sample language for your franchise organization if your organization participates in such agreement with the IRS]

The IRS has developed a Tip Rate Determination/Education Program to help employees receiving tip income and their employers understand the laws on reporting tip income. Under this program, \_\_\_\_\_\_\_\_\_\_\_ has entered into a Tip Rate Determination Agreement (TRDA) with the IRS. Under the TRDA, each participating\_\_\_\_\_\_\_\_\_\_\_ SONIC Drive-In has agreed to certain reporting requirements. These requirements include reporting your name, social security number, sales made and the actual amount of tips received by carhops.

As a condition of employment, each employee is required to sign a Tipped Employee Participation Agreement (TEPA) stating that you are participating in the program. Under the TEPA, you are required to report all of your tips and to file your federal tax returns. The IRS has agreed that it will not examine a participating employee’s tip income for any period in which a TEPA is in effect, as long as you report the full amount of actual tips you receive.

Generally, employees must maintain a daily record of their tips for income tax reporting purposes. Employees can use IRS Form 4070-A Booklet to record tips, or a daily log of their own. However, if you sign a Tipped Employee Participation Agreement, the IRS will not require you to keep a daily log of tips as this will be maintained electronically on the Drive-In’s computer system.

A summary of your reported tips will be provided to you at the same time your Form W-2 is issued. Also a year-end report of your daily tips will be made available to you upon request.

The Tipped Employee Participation Agreement is available at your Drive-In and in your new hire packet. After you sign this agreement, return it to your Drive-In Operator/General Manager.

# SECTION VIII - Your Uniform and Related Standards

We recognize that displaying personal style while at work is important to SONIC Drive-In employees. With this in mind, we designed the SONIC Uniform and Appearance Standards in a way that allows Drive-In employees the freedom to be themselves while also being mindful of the expectations of Drive-In guests, health code requirements, and employee safety. SONIC’s uniform and appearance standards are intended to allow each employee to reasonably display their unique personality while also fostering consistency across the SONIC brand and maintaining SONIC’s positive brand image. [This section is the standard required by SONIC in its operation manual. Franchisees should be aware of stricter implementation standards in some states and should consult with employment law counsel.]

## Uniform Standards:

* **Shirts** must be clean, in good condition, and fit properly.
	+ SONIC Brand-approved shirts will be provided to each employee upon hire.
		- ***Crew***: Must wear SONIC Brand-approved logo shirts.
		- ***Managers***: Must wear SONIC Brand-approved logo polo-style shirt, logo dress shirt, or dress shirt with tie.
	+ During **Special Event Days**, employees are permitted to dress in a manner consistent with the Special Event Day theme. Employees must comply with all health code and safety requirements.
* **Pants, Jeans, and Shorts** must be clean, in good condition, and fit properly.
	+ Pants must be black in color.
	+ Jeans must be a darker wash denim.
	+ Shorts must be black in color and cannot be shorter than four (4) inches above the knee.
	+ Denim “jean” shorts are not permitted.
	+ For safety reasons, Capri pants and shorts cannot be worn when working in the kitchen.
* **A name badge** must be worn by each employee.
	+ Only SONIC Brand-approved name badges may be worn.
	+ Wear your name badge on your upper right chest area, opposite the SONIC logo on your shirt or jacket.
	+ Your name badge must clearly display your commonly used name.
	+ Please do not use someone else’s name badge.
	+ Name badges may not be worn on lanyards.
* **Aprons** must be neat and in good condition.
	+ Employees working in the kitchen will be furnished a cooking apron.
	+ Carhops will be furnished a SONIC “Carhop” half-apron.
	+ For food safety, aprons may not be worn to the restroom, when taking out trash or outside of the Drive-In’s premises.
	+ Aprons worn by employees must be SONIC Brand-approved.
* **A visor or ball cap** must be worn at all times when preparing or handling food.
	+ The visor or ball cap must be SONIC Brand-approved.
	+ The visor or ball cap must be neat and in good condition with a straight bill facing forward.
	+ This standard applies to all employees, including managers.
	+ You will be furnished with a SONIC Brand-approved hat upon hire.
	+ A hair net can be worn in place of the visor or ball cap in rare instance when a visor/ball cap is not available. Hair nets should be routinely used in place of visors/ball caps.
* **Shoes** must be non-skid and recognized as a safe shoe recommended for use in a restaurant.
	+ Shoes must have a closed toe and closed heel.
	+ Employees are not permitted to wear sandals or shoes with a heel.
	+ Shoes should be in good condition.
	+ You may purchase approved shoes through the Shoes for Crew Program. Ask your manager for details.
* **Skates** must be well maintained and SONIC Brand-approved.
	+ For additional information, refer to the SONIC Skating Program guide.
* **Outerwear** worn while serving customers must be SONIC Brand-approved with the SONIC logo.
	+ Outerwear includes jackets, winter knit caps, and winter head/ear bands.

SONIC Brand appropriate outerwear will be provided by the Drive In when appropriate.

## Personal Appearance Standards:

* + **Personal Hygiene** is an important part of maintaining a neat and professional image.
		- Employees are expected to arrive at work clean and well-groomed.
		- Personal grooming standards include regular bathing and the use of deodorant.
		- Perfume or highly fragrant grooming products should not be used as the smell can bother guests and employees.
	+ **Hair** must be kept clean, neat and in compliance with all applicable health code regulations.
		- Long hair (below the collar of your shirt) must be pulled back above the collar to avoid contact with drinks and food.
		- For food-safety reasons, hair color must be permanent or semi-permanent; no temporary hair color sprays, glitter, chalk, etc.
	+ **Facial hair** must be kept clean, neat and in compliance with all applicable health code regulations.
	+ **Fingernails** must be clean, neatly filed, and no longer than one-quarter (1/4) inch beyond your finger tip.
		- Nail polish and artificial nails are permitted only if you wear gloves in good condition when preparing and packaging food and drinks.
	+ **Jewelry** is permitted as follows:
		- **Rings:** One smooth, plain band ring per hand that fits snugly on your finger.
		- **Necklaces** worn securely under your clothing that do not create a health or safety hazard.
		- **Earrings**: Small or moderately-sized, non-dangling earrings, not to exceed two (2) earrings per ear.
		- **Medical alert** necklace (worn securely under your clothing) or medical alert anklet is permitted.
		- No other jewelry on your hands or forearms is allowed (including watches, bracelets, and wristbands) for food safety reasons.
	+ **Piercings** are permitted as follows:
		- Small ear gauges cannot exceed size 00G (outside perimeter cannot exceed 10 mm -- the size of a dime).
		- Gauges must be solid and cannot have any inappropriate imagery, spirals or spikes.
		- One small nose stud worn in the nostril.
		- No other visible pierced jewelry or body adornments are allowed other than those listed above.
		- Tongue rings/studs, septum piercings, and dermal piercings are not permitted.
	+ **Tattoos are permitted as long as they are not offensive.**
		- Tattoos which may be considered offensive to others must remain covered at all times.
		- Offensive tattoos are those that contain obscene, profane, racist, or sexual words or imagery.



# SECTION IX - Workplace Attendance, Absences and Employee Leave

## Workplace Attendance

Employees are responsible for being at work on time when scheduled. Consistent and punctual attendance is critical for the business operations of the Drive-In and an essential job function of any Drive-In Employee. If you are absent from work, the burden of doing your job falls on your co-workers.

The Drive-In realizes that there are times when an employee must be absent for justifiable reasons. If you must be absent or late, or must leave work early, you must notify the Drive-In’s management as early as possible as and in any event no later than two hours *before* your scheduled starting time.

You must provide your manager with appropriate information regarding your absence; i.e., reason for the absence or tardiness, anticipated arrival time, full-day or partial-day absence, return date and time, and a telephone number where you can be reached.

If you fail to contact or obtain approval from your manager prior to being absent from work, you are considered to have voluntarily resigned (unless there has been an emergency which prevented the required notification).

If you have properly notified your manager and provided any required documentation, your absence may be excused if it was taken for:

* + Jury duty
	+ Approved funeral leave
	+ Court ordered appearance under a subpoena
	+ Military leave
	+ Work-related injury
	+ Your own illness or that of your dependent
	+ Other legally required absences or leaves (including those for family or medical leave)

[Note: Many states have laws pertaining to jury duty, leave relating to the death of a family member, providing testimony pursuant to subpoena, military leave, domestic abuse, etc. Consult your employment law counsel and applicable state law when determining whether it is appropriate to deny employee leave that falls within these and other categories.]

The Drive-In complies with all state and local laws pertaining to employee leave. If you have a question as to whether requested leave may be excused pursuant to this policy, please ask your manager.

Absenteeism or tardiness that is unexcused is grounds for disciplinary action, up to and including termination of employment.

Absence due to your illness or illness of your dependent typically does not require a statement from your health care provider when such absence lasts for two days or less during a workweek. However, you may be required to provide documentation when you have engaged in a pattern of excessive absences. In order to make appropriate scheduling decisions, you must maintain contact with your manager during any absence, even where you have provided medical certification covering a specified period, unless prohibited under applicable law. The frequency of contact during extended absences is to be agreed upon by you and your manager.

There are times when excused absences may become excessive in the judgment of the Drive-In’s management. These absences would not include those that are legally protected under federal or state laws such as the Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), military leave laws, jury duty leave laws, voting leave laws, etc. Excessive absenteeism may lead to disciplinary action, up to and including termination of employment, unless prohibited by state or local law. Failure to produce the appropriate documentation to verify an absence also may lead to disciplinary action, up to and including immediate termination of employment.

## Family and Medical Leave Act (FMLA) Policy

[The Family and Medical Leave Policy is based on the federal Family and Medical Leave Act. It is extremely important that all franchisees consult with their employment law counsel to determine the specific medical and family leave requirements that apply to their employees working in various states. Corresponding changes should be made to the policy.]

Persons working at a Drive-In, Drive-In Managers/Operators and Multi-Unit Supervisors may be extended Family and Medical Leave in accordance with this policy.

[Note: Some states and local laws may provide for broader eligibility and/or rights than those provided under the federal FMLA. Check with your Drive-In Operator/General Manager, Multi-Unit Supervisor or Principal Owner to determine if there are more favorable state or local laws that apply to you.]

### Eligibility Requirements

You are eligible for Family and Medical Leave under this policy if you have worked for at least 12 months, have worked at least 1,250 hours during the 12-month period prior to the commencement of the leave, and work at a facility with 50 or more employees within a 75- mile radius. The 12-month period is a rolling 12-month period measured backwards from the date an employee uses Family and Medical Leave. [Franchisee may wish to specify which of the four options provided under the FMLA it wants to use to measure the 12-month period. Options are: (1) the calendar year; (2) any fixed 12 month “leave year”, such as a fiscal year, or a year starting on the employee’s anniversary date of hire; (3) the 12-month period measured forward from the date the employee’s first FMLA leave begins; or (4) a “rolling” 12-month period” measured backward from the date an employee uses any FMLA leave. Whichever option is chosen must be applied uniformly to all employees and employees must be informed of the applicable method in writing. Franchisees should be aware that if an employer fails to designate a method, employees have the right to calculate their leave entitlement under whichever method is most beneficial to them. NOTE: If you adopt a new method and you used another method previously, you must post the new policy 60 days in advance before implementing the new method.]

### Reasons for Family and Medical Leave

You are eligible for up to 12 weeks of unpaid Family and Medical Leave during a 12-month period for:

1. Bonding Leave – child care after the birth, adoption or placement for foster care of a child, taken within the year after birth, adoption or placement;
2. Serious Health Condition Leave – a serious health condition which makes you unable to perform the essential functions or your job;
3. Family Member’s Serious Health Condition Leave – to care for a spouse, parent or child with a serious health condition;
4. Qualifying Exigency Leave – for a qualifying exigency arising out of the fact that your spouse, child or parent is on covered active duty (or has been notified or an impending call or order to active duty) in the Regular Armed Forces, National Guard or Reserves in a foreign country. Qualifying exigency leave is available only if your military family member receives a federal (not state) call or order to active duty. Qualifying exigencies include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings; or
5. Military Caregiver Leave – to care for a service member with a serious illness or injury (incurred or aggravated in the line of active duty in the Armed Forces) who is your parent, child, spouse, or for whom you are the next of kin, or to care for a veteran with a serious illness or injury (incurred or aggravated in the line of active duty in the Armed Forces) who is your parent, child, spouse, or for whom you are the next of kin, who was a member of the Armed Forces at any time during the period of five years preceding the date on which the veteran undergoes medical treatment, recuperation or therapy for a serious illness or injury. This leave may be taken for up to 26 weeks in a single 12-month period. This period begins on the first day you take leave for this purpose and ends 12 months after that date.

### Combined Spousal Leave

In cases where spouses both work for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [Insert Franchise Company name here], spouses may take a combined total of 12 weeks of leave within a 12-month period for Bonding Leave and a combined total of 26 weeks for Military Caregiver Leave, or for Military Caregiver leave and Bonding Leave within a single 12-month period.

### Intermittent and Reduced Schedule Leave

Serious Health Condition Leave, Family Member’s Serious Health Condition Leave, and Military Caregiver Leave may be taken on an intermittent basis (in separate blocks of time due to a single reason) or on a reduced work schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. Qualifying Exigency Leave may also be taken intermittently or on a reduced schedule basis.

When taking leave intermittently or on a reduced schedule, you are required to make a reasonable effort to schedule medical treatment so as to not unduly disrupt business operations. In addition, if you are on an intermittent or reduced schedule leave that is foreseeable based on planned medical treatment, you may be temporarily transferred to a position with equivalent pay and benefits that better accommodates the recurring leave.

### Unpaid Leave and Substitution of Accrued Paid Leave

Family and Medical Leave is unpaid leave. Any accrued paid leave including but not limited to accrued vacation must be submitted and used for otherwise unpaid Family and Medical Leave. The substitution of accrued paid leave time for unpaid leave time does not extend the 12-week (or where applicable, the 26-week) leave period.

Workers’ compensation leaves and short-term disability leaves that are for Family and Medical Leave qualifying reasons run concurrently with Serious Health Condition Leave, and do not extend the 12-week leave period.

### Notice of Need for Leave and Your Absence from Work

You are required to give timely notice of your need for Family and Medical Leave to the Office and also advise your Manager of your absence from work – see details below:

* **Notice to the** [Insert appropriate receiving party here] **of Your Need for Leave:**

Notice of the need for Family and Medical Leave must be given to the [Insert appropriate receiving party here].

* **Notice to your Manager of Your Absence:**

In addition to notifying the [Insert appropriate receiving party here] of your need for Family and Medical Leave, you must comply with your Drive-In’s usual call-in procedures and absences. Please refer to the Drive-In’s Attendance policy in this Handbook.

* **Timing of Notice:**

If your need for Family and Medical Leave is foreseeable, you must provide at least 30 days prior notice. Where the need for leave is not foreseeable, you are expected to provide notice as soon as practicable, generally the same day or next day you learn of the need for leave.

* **Failure to Timely give Required Notice:**

Unless unusual circumstances prevent you from following these notice requirements, your failure to comply may result in your Family and Medical Leave being delayed or denied until proper notice is provided. Additionally, failure to follow your Drive-In’s usual call-in procedures for an absence may result in disciplinary action, up to an including termination of employment, unless unusual circumstances prevented you from following such procedures.

* **Information Required:**

You must provide sufficient information to determine if the leave qualifies as Family and Medical Leave, including the timing and duration of the leave. Sufficient information includes, but is not limited to; information that you are unable to perform daily activities, need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave.

* **Intermittent or Reduced Schedule Leave Notice:**

If you are certified to take leave on an intermittent or reduced schedule basis, you must advise the [Insert appropriate receiving party here] at the time of the absence if the absence is for a previously certified Family and Medical Leave reason or that you intend the absence to be FMLA qualifying. You must also comply with your Drive-In’s usual call-in procedures for an absence.

### Notice of Eligibility and Designation of Leave

Once the [Insert appropriate receiving party here] receives proper notice of the need for Family and Medical Leave, you will be informed whether you are eligible for leave and you will be provided with further information regarding your rights and responsibilities. If you are not eligible for Family and Medical Leave, the [Insert appropriate party here] will tell you why you are not eligible. Once a determination is made regarding whether your reason for leave is FMLA qualifying, the [Insert appropriate party here] will inform you either that the time off is designated as Family and Medical Leave and the amount of leave that will count against the 12-week (or 26-week) leave period, or inform you that the reason for leave is not FMLA protected.

### Serious Health Condition and Medical Certification

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the qualified family member from participating in school or other daily activities. The continuing treatment requirement generally means a period of incapacity of more than three full consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy including prenatal medical care or child birth, or incapacity due to chronic condition. There are also other conditions that may meet the definition of continuing treatment.

You will be required to provide a medical certification from the appropriate health care provider for a leave for your own serious health condition as well as a leave to care for a family member with a serious health condition. The [Insert appropriate party here] will provide you with the appropriate certification form. The completed medical certification form must be provided to the [Insert appropriate party here] within 15 calendar days after receipt of the medical certification form. Failure to provide the requested medical certification in a timely manner may result in denial of leave until it is provided, and if never provided, may result in the leave being unauthorized.

You may be required to have a second medical opinion for Serious Health Condition or Family Member’s Serious Health Leave, and if the first and second medical opinions differ, may require a third medical opinion. If a third opinion is requested, it will be provided by a jointly approved health care provider, and will be binding. You may be required to provide periodic re-certifications supporting the need for leave.

### Military Caregiver and Qualifying Exigency Leave Certifications

You will be required to provide a certification form for Qualifying Exigency Leave and Military Caregiver Leave. These certification forms must be provided to the [Insert appropriate party here] within 15 calendar days after receipt of the form.

### Benefit Protection

During the leave, your group health benefits will be maintained on the same conditions as if you had continued working. If paid leave is substituted for unpaid Family and Medical Leave, your portion of the group health plan premium will be deducted as a regular payroll deduction. If the Family and Medical Leave is unpaid, you must make arrangements with the [Insert appropriate party here] to pay your portion of the premium. In addition, if you fail to return from leave, you may be required to repay any premium amount that was paid for maintaining the health coverage on your behalf, unless your failure to return was because of your or your covered family member’s continuing or recurring serious health condition, or the continuing or recurring serious illness or injury of a covered service member.

Use of the Family and Medical Leave will not result in the loss of any employment benefit that accrued prior to the start of your leave.

### Returning From Leave and Fitness for Duty Certification

When taking Family and Medical Leave, you are generally entitled to return to your same position or to an equivalent position with equal benefits, pay and other terms and conditions of employment, subject to any applicable exceptions. In addition, you have no greater rights to reinstatement or to other benefits and conditions of employment than if you had not taken Family and Medical Leave. Failure to return to work upon expiration of Family and Medical Leave may be considered a voluntary resignation unless an extension of leave is granted.

You will be required to present a fitness for duty certification upon return to work following a leave for your own serious health condition. The fitness for duty certification should be provided to the [Insert appropriate party here]. Failure to provide a fitness for duty certification will result in your return to work being delayed until the certification is provided.

### No Employment Elsewhere While on Leave

You are prohibited from working elsewhere while on leave, including self-employment, subject to applicable local or state laws.

### Effect of State Laws

If a state law provides for job protected family and medical leave or family military leave, the state leave and the FMLA leave will run concurrently if permitted by law. The Family and Medical Leave provided for in this policy does not supersede any state or local law which provides greater family or medical leave rights, and you will receive all benefits and protections to which you are entitled under any and all applicable leave laws. Please contact the [Insert appropriate party here] for more information.

### Non-Discrimination

Neither [Insert Franchise Company name here] nor the Drive-In will interfere with your right to take FMLA leave and will not discriminate or retaliate against you for exercising your rights under this policy. The FMLA does not affect any federal or state law prohibiting discrimination. You are encouraged to utilize the Concern Resolution Procedure set forth in this Handbook if you believe you are being discriminated against. You may also file a complaint with the U.S. Department of Labor or may bring a private lawsuit.

### Modifications

The application of this policy and the procedures set forth herein may be modified in accordance with applicable law and regulations.

## Military Leave of Absence

We recognize our obligations under the federal Uniformed Services Employment and Re-employment Rights Act (“USERRA”), and any state veteran’s re-employment right laws. The details of our military leave policy will be administered in compliance with applicable state and federal laws

If your absence from employment is necessitated by reason of service in the uniformed services, you will be entitled to certain employment and re-employment rights and benefits. If you seek re-employment following uniformed service, you must report in a timely manner as provided under applicable federal or state law.[In some instances, the state laws may impose requirements that offer greater protection to employees than the minimum protections provided by USERRA, such as more time to report back to work.]

**Miscellaneous**

This FMLA policy should not be construed to confer any express or implied contractual relationship or rights to any employee not expressly provided by the FMLA. In interpreting and implementing this policy, the Drive-In will give effect to the express provisions of the FMLA and applicable regulations.

# SECTION X - Technology Related Policies

## Computer Usage Policy

Computers, computer files, computer network and software furnished to employees are the property of the Drive-In and are intended for business use only. Access to the Drive-In’s computer system will be granted only to those who need access in order to perform their assigned job duties. Unauthorized use of the Drive-In’s computer system or unauthorized access to restricted information is prohibited.

To ensure compliance with this policy, computer usage may be monitored. Any information created, stored and/or sent using the Drive- In’s computer network is the property of the Drive-In. Employees have no expectation of privacy in any usage of the computer system, including internet/intranet usage or any message, file, or software created, stored, sent, or retrieved using the Drive-In’s computer system.

## Password Security

It is the employee’s responsibility to ensure security of his/her passwords and the passwords of other computer users. Sharing passwords and user names to the Drive-In’s POS system, computer system, email account and PartnerNet (etc.) with other employees is prohibited. The employee is responsible for all electronic transactions using his/her ID and Password and will be held responsible for such transactions.

If the Drive-In maintains certain login and password credentials that are shared among various employees, employees are also responsible for maintaining the privacy and security of such passwords, and should not disseminate this information to any third party or individual who does have explicit authorization from the Drive-In General Manager to access the computer system.

The following security practices must be followed:

* Do not share passwords with anyone.
* If someone knows your password you are responsible for changing it.
* Never leave a computer without signing off.
* Respect the privacy of other users when they sign on with a password.
* Only the person who is signed on may use a computer that is secured by passwords.
* Refuse to sign on using another person’s password.
* If you become aware of someone else’s password, insist that the unsecured password is reset.
* Avoid choosing a password that is obvious or short like names, initials, or repetitive numbers.

## Software

Violations of software licensing agreements and copyright violations, whether or not intentional, are prohibited. Persons making copies of software for unauthorized reasons are subject to disciplinary action and may be subject to civil and criminal penalties, including fines and imprisonment.

## Internet Usage

Access to the Internet is restricted to use for Drive-In business purposes. Those with access to the Drive-In’s Internet service are expected to act in a professional business manner. Access to and utilization of the Drive-In’s Internet network for non-business purposes, such as social networking, entertainment, shopping, gambling, to support a private business, or for personal e-mail are expressly forbidden.

## Social Media Policy

**Overview**

Social media continues to evolve and change the way we work, communicate and interact with our customers. While social media creates new opportunities for communication and interaction, it also creates new responsibilities for you, as well as potential risks for both you and the Drive-In. Social media includes any digital technology that enables people to create and share content and opinions in conversations over the Internet. This includes Facebook, Twitter, LinkedIn, Google Plus, YouTube, Flickr, Snapchat and Instagram, among others, and blogs, wikis and comments included on websites reviewing products and services. These guidelines apply both to social media use on authorized corporate channels and to any personal use of social media when your communications relate to the Drive-In or its products, guests or employees.

Your conduct when using social media should be guided by using sound judgment and common sense, and by following the Drive-In’s other policies such as the Drive-In‘s Code of Conduct and Non-Discrimination and Harassment-Free Workplace Policy, which can be found in this Handbook. Failure to follow the Drive-In policies when using social media could result in serious consequences for the Drive-In and for you, up to termination of employment in accordance with applicable law.

**Be Honest and Transparent**

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it promptly. Be open about any previous posts you have altered. Never post any information or rumors that you know to be false about the Drive-In, SONIC, coworkers, customers, suppliers, competitors or anyone else.

Don’t represent yourself as a spokesperson for the Drive-In or SONIC. If the Drive-In or SONIC is a subject of the content you are posting, be clear and open about the fact that you are a(n) [Insert Franchise Company name here] employee and make it clear that your views do not represent those of the Drive-In or SONIC. If you do publish a blog or post online related to your work, make it clear that you are not speaking on behalf of the Drive-In or SONIC. It is best to include a disclaimer such as:

“I am an employee of the Drive-In. My statements and opinions are my own and do not necessarily represent those of the Drive-In or SONIC.”

**Be Thoughtful**

Always remain thoughtful when communicating online. Avoid social media content that is harassing, discriminatory, libelous, threatening, bullying, violent, malicious, unlawful or obscene. Do not post negative comments about the Drive-In customers. If you have a work conflict, consider ways to resolve the conflict rather than posting about it online. For example, workplace issues can typically be resolved by speaking directly with involved coworkers or by utilizing the Drive-In’s Open Door Policy and Concern Resolution Procedure.

**Protect Confidential Information or Trade Secrets**

During the course of your employment, you may become aware of trade secrets and/or similarly protected proprietary and confidential information about the Drive-In’s business (e.g., recipes, preparation techniques, marketing plans and strategies, financial records). You must not disclose/comment on any such information to anyone outside the Drive-In.

**Respect Privacy, Copyright and Trademark Laws**

Respect copyright, trademark and similar laws, and use such protected information in compliance with applicable legal standards. Do not use the Drive-In’s (or any of its affiliated entities’) logos, mark or other protected information or property for any business/commercial venture without the express written authorization of the Drive-In.

**Conduct Not Prohibited by These Guidelines**

This policy is not intended to cover all possible situations that may arise. The spirit of this policy should guide your online activity. Further, these guidelines are not intended to preclude or dissuade employees from engaging in activities protected by state or federal law, including the National Labor Relations Act.

## Email and Instant Messaging

Use of Drive-In e-mail and instant messaging (IM) (collectively “e-mail”) is to be done in a proper and productive manner. The employee is responsible for the content of all text, audio or images that you place or send over the Drive-In’s internet/intranet system. The Drive-In’s e-mail may not be used for transmitting, retrieving or storing any communications of a discriminatory, illegal or harassing nature, or materials that are obscene or pornographic.

All messages created, sent or retrieved over the Drive-In’s e-mail system are the property of the Drive-In. The Drive-In reserves the right to access and monitor all messages and files on its e-mail system. In addition, the Drive-In may access messages that have been “deleted” by employees.

## Picture Taking and Video Taping Inside the Drive-In

Due to the potential for issues such as cross-contamination of food, invasion of privacy (employee and customer), sexual or other harassment, protection of proprietary recipes and food preparation techniques, employees may not take, distribute or post pictures, videos or audio recordings while on working time. This rule does not prohibit activity protected by the National Labor Relations Act.

In the normal course of business, Drive-In employees and members of management are prohibited from taking, transmitting, or posting pictures taken inside of Drive-In; however, during special event days, employees are permitted to take photographs and videos outside of the Drive-In and post to social networking platforms.

# SECTION XI - Safety and Security Guidelines and Procedures

## Employee Safety Guidelines

Read and review the following safety guidelines with your manager.

**Emergency Evacuation Plan/Back Door**

* In the event of an emergency, first contact 911 for medical assistance, fire, rescue or any other emergency.
* A manager will assume responsibility for emergency evacuations. This includes evacuation of employees and guests.
* How to shut off operating equipment before evacuating. How to help others safely leave the building.
* How to exit the building in case of an emergency. Where to meet in the event of an evacuation.
* Fire hazards of certain materials and processes.
* Do not block exit doors for any reason.
* Do not leave the back door open in a way that the panic bar could not lock when the door closes.

**Fire Extinguisher and Ansul System**

* The location of the fire extinguishers.
* How to use the fire extinguishers and the Ansul Pull Extinguishing System.

**Safety Gloves and Cutting Procedures (Personal Protective Equipment)**

* How to safely use equipment that requires safety gloves.
* How to properly use and wear cutting gloves and black neo-preen gloves.
* Cutting gloves are to be worn when using knives or other sharp-bladed equipment. Black neo preen gloves are to be used when filtering shortening or hot grill cleaning.
* The limitations of the cutting gloves and black neo-preen gloves and the proper care and maintenance of the safety gloves.
* If the cutting gloves or black neo-preen gloves are unavailable or damaged, immediately contact your manager.

**Hazard Communication**

* The location of the MSDS and Hazard Communication book.
* The physical and health hazards of the hazardous chemicals and chemical compounds in use at this property. This list is contained within Material Safety Data Sheets (MSDS) in the Hazard Communication book found in this Drive-In.
* The measures to take to prevent exposure to hazardous chemicals and the details of the Company’s Hazard Communication Program.
* Methods for observing the presence or release of a hazardous chemical in the work area.
* That “danger” signs in the Drive-In indicate immediate danger and that “caution” signs indicate the existence of a possible hazard.
* Notify a manager if an unlabeled container is found in the Drive-In.

**Exposure Control Plan (Bloodborne Pathogens and Bodily Fluids)**

* First and foremost, call the SONIC Crisis Hotline immediately at 877-221-4552 to report the incident.
* Bloodborne pathogens are defined as pathogenic microorganisms that are present in blood and can cause disease in humans.

These pathogens include, but are not limited to, Hepatitis B Virus (HBV) and Human Immunodeficiency Virus (HIV).

* When an employee, customer, or other individual vomits or has a diarrheal event in a food establishment, there is a real potential for the spread of harmful pathogens, such as bacteria and or viruses such as Norovirus, in the establishment.
* Explain the methods for recognizing job tasks that may involve exposure to blood and other potentially infectious materials.
* Explain the appropriate methods that will prevent or reduce exposure, including use of personal protective equipment and the bodily fluid clean up kit.
* Explain bodily fluid clean up procedure, and the location and purpose of the bodily fluid clean up kit.
* Each kit is good for only one use.
* Use personal protective equipment (face mask and gloves) before rendering first aid of any type or cleaning up any bodily fluid.
* Avoid, as much as possible, contact with blood and mucous membrane.
* Wash your hands and arms per the SONIC 20/20 Handwashing Policy.
* Report any incident where there has been exposure to any bodily fluid to your manager.
* If necessary, Hepatitis B vaccinations and medical examinations will be offered (free of charge) and your manager will follow up with you.

**Lockout/Tagout Kit**

* The location of the lockout/tagout kit.
* The purpose of the kit is to limit exposure to electrical shock when electrical equipment is being worked on and cleaned.
* The lockout device is used for circuit breakers; Tag out for labeling equipment being serviced, including refrigeration maintenance.
* Your manager is responsible for authorizing equipment to be locked out and will notify employees when equipment will be locked out.
* Employees are prohibited from attempting to restart or re-energize machines or equipment that are locked out or tagged out.
* Prior to completing the employee safety training, you must view the lockout/tagout video.

**First Aid Kit**

* The location of the first aid kit.
* This kit is available for employee use.

S**lips/Trips/Falls**

* The Drive-In must be maintained in a clean and dry (as much as possible) condition.
* All aisles and passageways should be clear and free from obstruction that could create a hazard.
* Report all injuries to your immediate supervisor regardless how minor and seek first aid for all injuries.

**Sanitation**

* Keep the food at proper temperatures and store food correctly.
* The Drive-In follows the SONIC 20/20 Rule.
* Sanitize all food contact surfaces.

**Skating Training**

* Before becoming a skating carhop, you must know how to safely skate and complete the skating training program. You will need to know how to control your speed, turn, stop, and balance with a tray of food and fall safely.
* Wear appropriate protective equipment.
* Always skate within your ability.
* Watch where you skate.
* Avoid cars, customers and other employees. Do not weave in and out of the cars.
* Stop before crossing the Drive-In parking lot. Look left-right-left, then proceed with caution.
* Never skate in the rain, extreme wind, snow or ice.
* Make sure the Drive-In’s lot and sidewalks are in good condition and free of any rocks, gravel or other obstructions. Notify your manager of any unsafe conditions.
* Check your skates each time before you skate. The skates should fit you properly. Laces should be free of knots and fray. All parts should be free of dirt and debris. Make sure that all parts of your skates are properly tightened and that your wheels spin freely.
* Do not use skates that need repair. Any parts with excessive wear and tear or that are cracked must be replaced before the skates are worn.

**Robbery Prevention Guidelines**

* Never leave the back door open or unlocked.
* Do not open the back door or restroom access doors without management approval. Never remove trash through or open the back door after dark.

##

## Use of Equipment

When using Drive-In equipment, employees are expected to exercise care, perform required maintenance and follow all operating instructions, safety standards, and guidelines, including the use of appropriate personal protective equipment. Unauthorized, improper, careless, negligent, destructive or unsafe use or operation of equipment may result in disciplinary action, up to and including termination of employment. Immediately notify a member of the management team if any equipment, machine or tool appears to be damaged, defective or in need of repair.

## Work-Related Injuries and Related Benefits

If you sustain a work-related injury or illness, you must notify your supervisor immediately no matter how minor it may appear. Failure to report an on-the-job injury or failure to comply with any drug free workplace policies may jeopardize your right to benefits under the workers’ compensation insurance program provided for the benefit of its employees. If you are employed in the State of Texas, your Drive-In provides an employee accident plan governed by ERISA for the benefit of its employees. These programs provide payment of medical expenses and partial salary continuation in the event of a work-related injury.

## Violence and Weapons in the Workplace

[Franchisees should consult with their employment law counsel regarding various state laws that make it illegal for an employer to prohibit an employee from transporting or storing a firearm in a locked vehicle on the employer’s premises or place restrictions on the application of this rule, such as specific notice requirements.]

[Insert Franchise Company name here] prohibits violence in the workplace. Engaging in any act of violence, threatening an act of violence or intimidating another employee, vendor or Drive-In guest is a violation of this policy. We prohibit the possession, transfer, sale, use, threatened use or display of weapons and other dangerous items on Drive-In premises. Weapons are defined as all types of firearms, switchblade knives, knives with a blade, dangerous chemicals, explosives and ammunition. Other objects carried, used or threatened to be used for the purpose or with the effect of injuring or intimidating other people may also be considered dangerous items.

This prohibition includes all handguns, even if the individual has a valid license to carry a handgun, except as authorized under applicable law. In no event is anyone entering the Drive-In’s property permitted to carry a handgun or other weapon into the Drive-In. Violations of this policy may result in disciplinary action, up to and including immediate termination of employment.

**Reporting an Incident:** If you have been subject to any type of violent behavior or threat of violence in the workplace or if you are aware of any violation of this policy, you must report this to the Drive-In’s Manager/Operator or Multi-Unit Supervisor immediately.

**Sanitation**

SONIC Safe is the food safety and sanitation program used in the Drive-In. It is ABSOLUTELY ESSENTIAL that EVERYONE follows safe food handling procedures. NEVER take shortcuts on food safety and handling. Following all of the SONIC Safe guidelines will help keep the food you serve safe from harmful germs and bacteria.

Employees will receive specific guidelines and training materials in the Operations Manual, and must review and comply with these policies. While you will receive additional and ongoing training on food safety issues and SONIC Safe Training, the following are some of the basic rules you must ALWAYS follow and enforce, as set forth in greater detail in the Operations Manual:

* **SONIC’s 20/20 hand washing rule**
* **Sanitize everything**
* **Avoid cross-contamination**
* **Keep food at the proper temperatures**
* **Store food correctly**

## Food Tampering Policy

“Food tampering” is generally defined as “the deliberate contamination of food.” Food tampering occurs when any foreign matter is placed in food, even if the person doing so has no intent to harm anyone. Placing bodily fluids in the food of another is also considered food tampering. Putting a foreign substance in food for the purpose of a joke or prank is still food tampering. All states have criminal and civil laws that prohibit food tampering. Although penalties for food tampering vary from state to state, government authorities may file criminal charges against violators that include assault, battery, and attempted murder. Convicted persons will end up with conviction records, fines, and possibly incarceration in county jails or state prisons. Victims of food tampering may file civil lawsuits against the violators for claims that include assault, battery, and intentional infliction of emotional distress. Any civil or criminal charges of food tampering will, in all likelihood, become a permanent part of violator’s employment background and history that may be required to be disclosed on future applications for employment.

**Employee Responsibilities:** You must immediately stop delivery of all food that you know or suspect has been subjected to food tampering. You must immediately report any suspected food tampering to the Drive-In’s management team. Food tampering is prohibited and may be prosecutable as a crime.

## Contagious Illness Policy – Employee Management Responsibilities

We are committed to helping ensure the health and safety of our employees and guests and we comply with all health department regulations. Various health and safety laws require food service employees to report certain illnesses to their manager and prohibit food service employees from working when they have certain illnesses. In accordance with these laws, the Drive-In has adopted the following policy.

All employees and members of management must follow the reporting and exclusion from work requirements specified by law and by policy. Employees must follow good hygienic practices at all times. Managers may generally inform employees that they may have been exposed to a food-related disease and may have to be tested, but the name of the employee who potentially caused the exposure should not be discussed.

All employees must stop work and report to store management upon experiencing any of the following symptoms:

* + Diarrhea
	+ Fever
	+ Vomiting
	+ Jaundice (yellow skin or eyes)
	+ Sore throat with fever
	+ Acute upper respiratory symptoms that are due to the flu or other contagious condition
	+ Lesions (such as boils and infected wounds, regardless of size) containing pus on the fingers, hand, or any exposed body part

Managers must restrict employees from working who are experiencing any of the above symptoms. However, if an employee’s symptoms are the result of a medical condition which is not contagious in a food service environment, the employee should not be restricted from work. If an open sore can be covered with a clean, impermeable covering and a single-use glove (for hand wounds), the employee can return to work as normal. Before an employee may return to work, the employee must no longer be contagious and at least 24 hours must have passed since vomiting and/or diarrhea symptoms.

Employees must also notify store management if diagnosed by a healthcare provider as being ill with any illnesses that can be transmitted through food or person-to-person casual contact such as:

* + Norovirus
	+ *Salmonella* Typhi (typhoid-like fever)
	+ *Shigella* spp. (causes shigellosis)
	+ *E. coli* O157:H7 or other Enterohemorrhagic or Shiga toxin-producing *E. coli*
	+ Hepatitis A virus
	+ Any other pathogen that can be transmitted through food such as Campylobacter or Listeria monocytogenes

In addition to the above conditions, employees must notify their manager if they have been exposed to one of the following “High Risk Conditions”:

* + Exposure to or suspicion of causing any confirmed outbreak involving the above illnesses.
	+ A member of their household is diagnosed with any of the above illnesses.
	+ A member of their household is attending or working in a setting that is experiencing a confirmed outbreak of the above illnesses.

Managers must exclude from the Drive-In any employees who:

* + have been diagnosed with one of the illnesses listed above;
	+ are experiencing jaundice; or
	+ are experiencing diarrhea, fever, sore throat with fever, vomiting, or lesion containing pus **and** meet a High Risk Condition set forth above.

If an employee falls into one of the three categories listed above, the manager must also contact the Crisis Management Team at (877) 221-4552. Before an employee excluded from work under any of the three circumstances listed above can return to work, the employee’s symptoms must have resolved, the employee must provide written medical certification that the employee is now fit to return to duty, and the employee must receive approval to return to work from the regulatory authority.

1. The entity that employs the employees that will receive this Handbook. [↑](#footnote-ref-1)